



## **AGENDA**

### **BOARD OF MAYOR AND ALDERMEN REGULAR WORK SESSION**

**Tuesday, May 4, 2009  
Council Room — 2<sup>nd</sup> Floor, City Hall  
4:30 p.m.**

#### **Board of Mayor and Aldermen**

Mayor Dennis R. Phillips, Presiding

Alderman Valerie Joh  
Vice Mayor Benjamin K. Mallicote  
Alderman Charles K. Marsh, Jr.

Alderman Larry Munsey  
Alderman Patrick W. Shull  
Alderman Jantry Shupe

#### **Leadership Team**

John G. Campbell, City Manager

J. Michael Billingsley, City Attorney  
Jim Demming, City Recorder/CFO  
Craig Dye, Fire Chief  
Jeff Fleming, Asst. City Manager, Development Services

Chris McCartt, Assistant to the City Manager  
Ryan McReynolds, Public Works Director  
Gale Osborne, Police Chief  
Tim Whaley, Community and Gov't Relations Director

1. Call to Order
2. Roll Call
3. Work Session Tickler
4. Review of Items on May 5, 2009 Regular Business Agenda
5. Adjourn

**Citizens wishing to comment on agenda items, please come to the podium and state your name and address. Please limit your comments to five minutes. Thank you.**



## Work Session Tickler May 4, 2009

### **Special Projects**

#### ***Higher Education Center***

***Jeff Fleming***

***Updated April 28, 2009***

Interior finishes and ceiling grid has started on 2<sup>nd</sup> floor. Sheetrock installation and finishing is underway. The exterior brick masonry and window installation are also underway. The HVAC units have been installed on the roof, and ductwork installation is progressing.

#### ***Netherland Inn Road Boat Ramp***

***Chris McCartt***

***Updated April 2, 2009***

City staff is currently in the process of obtaining the required 26A permit from the TVA to

construct a boat ramp to provide public access to the South Fork of the Holston River. The process to obtain this permit is a lengthy process however engineering staff is preparing the necessary engineering/construction drawings for the project so that it will be ready for construction once the permit is received. Staff will continue to provide updates on this project as it unfolds.

### **City Departments**

#### **Police Department**

##### ***DA/Visionair Project***

***Gale Osborne***

***Updated April 30, 2009***

PDA's and RedFly Mobile Companions on site. Data tables are 95% complete for Field Reporting Software.

Server expenditure approved by BMA, contract signed by Mayor. Ordered virtual servers 4/29. Approximate 6 week turnaround on server delivery. All time lines are predicated on server delivery. As soon as servers are on site, remote and site downloads (and installs) can begin. Continuing weekly conference calls with VisionAir project manager. Monthly full team meetings.

#### **Fire Department**

##### ***Fire Station Seven***

***Craig Dye***

***Updated April 29, 2009***

Update, the foundation is poured and with good weather the steel should be going up next week. We are on a good track for opening the first part of October and possibly sooner! The project is on schedule.

Anyone wishing to visit the project site please schedule a time with the Fire Department.

**Finance Department**

***Sewer Tap Fees***

***Jim Demming***

***Updated April 30, 2009***

Approximately 50 notification letters are being mailed to property owners in the Rock Springs area informing them of the availability of sanitary sewers and the requirements for connecting to the system. The letter also provides information regarding the applicable fees and available financing option for the tap fee.

**Public Works**

***Shelby Street Update***

***Ronnie Hammonds***

***Updated April 30, 2009***

Storm Line replacement has been finished. The first phase of the Bradford Pear removals has been completed. Stump removal took place the week of April 20<sup>th</sup>. Sidewalk repair work has started and will be continuing. Yoshino Cherry trees planting will occur shortly. Sidewalk was slowed temporarily during Clean-up week and by the recent wet weather. Sidewalk work has restarted and should be finished within a week. Road repairs will be the last portion of the project.

**Engineering**

***Gibson Mill Road Realignment:***

***Hank Clabaugh***

***Updated April 30, 2009***

Thomas has now resumed with completion of the final road grading on Cassel Drive and Ravine Drive. Once the final grading is complete, the curb, gutter, and sidewalks will be constructed. The majority of the road is constructed to subgrade. The contractor is currently testing the compaction of the subgrade. It is expected that Ravine Drive and portions of Cassel Drive will be paved with binder in the next several weeks.

Construction of the numerous components for the new bridge continue. Both abutments and both footers for the piers are complete. The construction of the piers resting on the footers remains. Steel for the bridge deck will begin being installed in mid-May. This work is for Contract 1.

Thomas is currently focusing on the Ravine Drive area. This road will eventually be closed with a cul-de-sac.

Thomas Construction Co. is the contractor for both contracts (Contract 1 – Wellmont; Contract 2 – City).

The notice to proceed date for both contracts was November 3, 2008 and the original final completion for both projects is September 4, 2009.

***Netherland Inn Bridge***

***Gary Dault***

***Updated April 30, 2009***

The bridge is 95% complete. Bridge railing work continues.

Road work preparation will begin in the next few days, with traffic moved to the new bridge by mid-June. Work will still need to be done to tie in the roadways at the west end of the bridge.

**Water/Sewer**

***Automated Meter Reading***

***Chad Austin***

***Updated April 30, 2009***

Approximately 18,200 meters have been changed out thus far. 70 routes (of 128) are substantially complete. We are on track to begin reading half of our system by July 1.

There was a manufacturing issue with the leak detectors causing us to reinstall all of the detectors that have been placed. The cost of this reinstallation is being paid by the manufacturer.

According to Johnson Controls, we should be seeing approximately \$10,000 of extra revenue per month due to the increased accuracy of the new meters installed. This was calculated using the pre-retrofit accuracy of 97.6% vs the post retrofit accuracy of 99.8%. These are average numbers that were obtained during testing of the meters and should be representative. Most of the large meters have not been retrofitted yet which will yield higher returns. The large meter crew is scheduled to start rebuilding meters in early May.

***Rock Springs Area  
Waterline Upgrades***

***Chad Austin***

***Updated April 30, 2009***

Approximately half of the waterline has been installed on this project. There are still services to be installed before testing of the line can begin. The project is still on schedule to have the waterline in service by May 31.

**Transportation (MPO / Grants)**

***Netherland Inn Bank Barn Museum***

***Bill Albright***

***Updated March 30, 2009***

Construction of the Bank Barn's interior is complete. However, a substantial amount of grading and landscaping remains (wet weather has held this up). Within the last couple of weeks several additional items were also requested and suggested by the Project Architect, the Netherland Inn Committee, and City Staff (these were not a part of the original contract, but are "add-ons"). These included the installation of brick pavers on the back and front (concrete) porches/patios as well as an additional brick walkway from the backside of the Netherland Inn to the back of the Bank Barn. Also, hand-rails are being added along the stairway from the first to the second floor. It is anticipated these items will be completed within the next 2 or 3 weeks and activity will turn towards finalizing a lease agreement between the City and the Netherland Inn Association and development of the museum.

**Transportation (Traffic)**

***Indian Trail / Stone Drive  
Signal & Median***

***Michael Thompson***

***Updated April 30, 2009***

Pavement milling and utility relocations are complete. Signal and median work are underway. Three thru lanes and one turn lane is required to be kept open through the project. Completion is scheduled on or before June 30, 2009.

**Transportation (Traffic) continued**

***Stone Drive at Union Flasher      Michael Thompson      Updated April 30, 2009***

Flasher assembly is on order and we are awaiting a Contract from TDOT to move forward. Flasher is proposed to be placed for the eastbound traffic in approximately the same location as the existing road-side signal ahead sign.

***Lilac at Netherland Inn Road      Michael Thompson      Updated April 30, 2009***

Staff is evaluating temporary solutions to solve the sight distance issue at this location. Ultimately Netherland Inn Road is proposed to be shifted towards the River (away from the Inn).

**Development Services**

***Cook's Point      Rack Cross      Updated April 30, 2009***

Cook's Point was visited for the purpose of general observation. During the site visit it was noted that Developer Erik Fritz has begun sowing grass seed in some areas and has additional matting on site to install over other areas. Further progress was seen in the rough-in of the walking trail connecting Cook's Court and Cook's Point Road being cut. Residents are using the rough-in walking trail.

**Leisure Services**

***Parks & Recreation  
Greenbelt      Kitty Frazier      Updated April 30, 2009***

A preconstruction meeting required by TDOT was held April 29. The construction contractor, the Certified Engineer Inspector, TDOT, city staff and the project engineer attended this meeting. Ducco Construction is under contract to begin construction and should be mobilized to the site within 10 days.

***Kingsport Public Library      Helen Whittaker      Updated April 29, 2009***

The Architectural Firm Review Committee completed the interviews for the firms for the library's feasibility study. They will be bringing their recommendation to the BMA at the May 18/19 sessions.



## **AGENDA**

### **BOARD OF MAYOR AND ALDERMEN**

#### **REGULAR BUSINESS MEETING**

**Tuesday, May 5, 2009  
Large Court Room – 2<sup>nd</sup> Floor, City Hall  
7:00 p.m.**

#### **Board of Mayor and Aldermen**

Mayor Dennis R. Phillips, Presiding

Alderman Valerie Joh  
Vice Mayor Benjamin K. Mallicote  
Alderman Charles K. Marsh, Jr.

Alderman Larry A. Munsey  
Alderman Patrick W. Shull  
Alderman Jantry Shupe

#### **City Administration**

John G. Campbell, City Manager  
J. Michael Billingsley, City Attorney  
James Demming, City Recorder

#### **I. CALL TO ORDER**

#### **II.A. PLEDGE OF ALLEGIANCE TO THE FLAG**

#### **II.B. INVOCATION –Kerry Doyal, Pastor – Grace Evangelical Free Church**

#### **III. ROLL CALL**

#### **IV. RECOGNITIONS AND PRESENTATIONS**

1. Recognition of Pam Halbrook's Retirement
2. Proclamation to Celebrate National Travel/Tourism Week-Mayor Dennis Phillips

#### **V. APPROVAL OF MINUTES**

1. April 20, 2009 Regular Work Session
2. April 21, 2009 Regular Business Meeting

**VI. COMMUNITY INTEREST ITEMS****AA. PUBLIC HEARINGS****COMMENT**

Citizens may speak on agenda items. When you come to the podium, please state your name and address and sign the register that is provided. You are encouraged to keep your comments non-personal in nature, and they should be limited to five minutes. A total of thirty minutes is allocated for public comment during this part of the agenda.

**B. BUSINESS MATTERS REQUIRING FIRST READING**

1. Consideration of an Ordinance Establishing a Policy in Compliance with T.C.A. Section 47-18-2901 for the Protection of Confidential Information on Laptop Computers and Removable Storage Devices (AF: 87 -2009)
  - Ordinance – First Reading

**C. BUSINESS MATTERS REQUIRING FINAL ADOPTION****D. OTHER BUSINESS**

1. Consideration of a Resolution Authorizing the Mayor to Sign a Supplier Purchase Agreement Between the City of Kingsport and Domtar Paper Company, LLC for Selling Wood Chips to Domtar (AF: 120 -2009)
  - Resolution
2. Consideration of a Resolution Authorizing the Mayor to Execute an Agreement with the City of Bristol, TN as the Lead Entity for the Northeast TN/Southeast VA Home Consortium (AF: 118 -2009)
  - Resolution
3. Consideration of a Resolution Authorizing the Mayor to Execute all Documents Necessary to Apply and Accept American Recovery and Reinvestment Funds, Section 5307, Federal Transit Administration Grant from the Department of Transportation (AF: 88 -2009)
  - Resolution
4. Consideration of a Resolution Awarding the Bid for Additions and Alterations to John Sevier Middle School to Trademark of VA, Inc. and Authorizing the Mayor to Sign all Applicable Documents (AF: 125 -2009)
  - Resolution

5. Consideration of a Resolution Authorizing the Issuance of a Purchase Order for the Manufacture and Installation of Classroom Furniture for John Adams Elementary School to Virco, Inc. (AF: 126 -2009)
  - Resolution
6. Consideration of a Resolution Awarding the Bid for the Installation of a VOIP Telephone System for John Adams Elementary School to Black Box Network Services and Authorizing the Mayor to Sign all Applicable Documents (AF: 127 -2009)
  - Resolution
7. Consideration of a Resolution to Implement an Employee Dependent Scholarship Program (AF: 121 -2009)
  - Resolution
8. Consideration of a Resolution to Authorize the Mayor to Execute a Contract for a Guaranteed Maximum Price with J.A. Street & Associates for the Early Construction Phase of the Meadowview Executive Conference Center (AF: 130 -2009)
  - Resolution
9. Consideration of a Resolution Awarding the Bid for the Purchase of One (1) Cab/Chassis Spray Injected Road Repair Machine to Premier Equipment, LLC (AF: 124 -2009)
  - Resolution
10. Consideration of a Resolution Authorizing the Mayor to Execute a Release (AF: 129 -2009)
  - Resolution
11. Consideration of a Resolution to Authorize the Mayor to Sign all Documents Necessary to Apply and Receive an Appalachian Regional Commission Grant for Phase 1 of the Kingsport Riverwalk Project (AF: 131 -2009)
  - Resolution
12. Consideration of a Resolution to Authorize the Mayor to Execute an Amendment to the MeadowView Management Agreement (AF: 133 -2009)
  - Resolution

#### **E. APPOINTMENTS**

1. Consideration of Appointments to the Stormwater Appeals Board (AF: 106 -2009)
  - Approve Appointments



## **VII. CONSENT AGENDA**

**All matters listed under the Consent Agenda are considered in the ordinary course of business by the Board of Mayor and Aldermen and will be enacted on by one motion in the form listed. If discussion is desired by either the Board or the audience, the item in question will be removed from the Consent Agenda and considered separately.**

1. Consideration of an Ordinance to Amend General Project Fund Budget (AF: 108 -2009)
  - Ordinance – Second Reading and Final Adoption
2. Consideration of an Ordinance to Amend the Eastman Annexation Tax Fund Budget (AF: 112 -2009)
  - Ordinance – Second Reading and Final Adoption
3. Consideration of an Approval of Offer for Easement and Right-of-Way for the Abilene Drive Pump station Replacement Project (AF: 128 -2009)
  - Approval of Offer

## **VIII. COMMUNICATIONS**

- A. CITY MANAGER
- B. MAYOR AND BOARD MEMBERS
- C. VISITORS

**Citizens may speak on issue-oriented items. When you come to the podium, please state your name and address and sign the register that is provided. You are encouraged to keep your comments non- personal in nature, and they should be limited to five minutes.**

## **IX. ADJOURN**



## **AGENDA**

### **BOARD OF MAYOR AND ALDERMEN**

### **SPECIAL CALLED WORK SESSION**

**Tuesday, May 5, 2009  
Council Room – City Hall  
4:00 P.M.**

#### **Board of Mayor and Aldermen**

Mayor Dennis R. Phillips, Presiding

Alderman Valerie Joh  
Vice Mayor Benjamin K. Mallicote  
Alderman Charles K. Marsh, Jr.

Alderman Larry A. Munsey  
Alderman Patrick W. Shull  
Alderman Jantry Shupe

#### **City Administration**

John G. Campbell, City Manager  
J. Michael Billingsley, City Attorney  
James Demming, City Recorder

- I. CALL TO ORDER**
- II. PLEDGE OF ALLEGIANCE TO THE FLAG**
- III. ROLL CALL**
- IV. OTHER BUSINESS**

Presentation by King College on Medical School

- V. CITIZENS' COMMENTS**

Citizens may speak on issue-oriented items. When you come to the podium, please state your name and address and sign the register that is provided. You are encouraged to keep your comments non-personal in nature, and they should be limited to five minutes.

- IX. ADJOURN**

Minutes of the Regular Work Session of the  
Board of Mayor and Aldermen, City of Kingsport, Tennessee  
Monday, April 20, 2009, 4:30 PM  
Council Room – City Hall

PRESENT:

Board of Mayor and Aldermen

Mayor Dennis R. Phillips  
Alderman Valerie Joh  
Vice-Mayor Benjamin K. Mallicote  
Alderman Charles K. Marsh, Jr.

Alderman Larry A. Munsey  
Alderman Patrick W. Shull  
Alderman Jantry Shupe

City Administration

John G. Campbell, City Manager  
J. Michael Billingsley, City Attorney  
James H. Demming, City Recorder

1. **CALL TO ORDER:** 4:34 p.m., by Mayor Phillips.
2. **ROLL CALL:** By Deputy City Recorder Gilbert.
3. **WORK SESSION TICKLER.** Alderman Munsey indicated that he did not see the addition he had requested that the status of red lights camera intersection improvements be added to the Work Session tickler.

Mayor Phillips asked about updating or reporting on the status of those tickler items that show no change month after month and the need to either decide whether or not to proceed with the project.

Alderman Marsh inquired about the status of bidding for the capital road improvement projects, although not on the tickler, and Public Works Director Ryan McReynolds responded with the timeframe for advertising for those bids.

4. **UPDATE ON REQUEST OF TBI (TENNESSEE BUREAU OF INVESTIGATION) REPORT.** City Attorney Mike Billingsley, at the Mayor's request, explained the reason for denying a recent request to the City for release of TBI records. Mr. Billingsley quoted state law on the confidentiality of TBI investigative records and the City's responsibility to protect that privacy. He stated that, after deliberative consultation with TBI's general counsel and Ms. Elisha Hodge, Open Records Specialist for the State's Office of Open Records Counsel, all were in agreement that the TBI records requested are confidential and the City would be in violation of the law if it were to release those records. Therefore, based upon his research and discussions, his advice to City Clerk Gilbert was to deny the request in order to protect the interests of the City.

**Minutes of the Regular Work Session of the Board of Mayor and Aldermen of  
Kingsport, Tennessee, Monday, April 20, 2009**

***[At 4:50 p.m., the Mayor requested the Board consider Agenda Item No. 5 out of order to allow Kingsport City Schools Board of Education and staff to present its FY2010 School Budget Report.]***

**PRESENTATION BY KINGSPORT CITY SCHOOLS (KCS) BOARD OF EDUCATION (BOE) FOR FY2010 SCHOOL BUDGET.** Board members were provided with a handout reflecting the School's projected FY2010 budget of \$68,452,790 and KCS Superintendent Dr. Kitzmiller, along with BOE Chair Susan Lodal, proceeded through the written information which began by detailing changes and/or specifics applicable to this budget cycle, such as 1) the new elementary school opening in August 2009; 2) no discretionary raises; 3) staff reductions; and 4) resources needed to fulfill new high school graduation requirements.

The basics of the FY2010 budget totals were as follows:

General Purpose Fund	\$59,071,350
Food Services Fund	2,961,850
Federal Projects Fund	5,026,157
Special Projects Fund	<u>1,393,433</u>
<b>TOTAL</b>	<b>\$68,452,790</b>

Further revenue assumption information, covered by Dr. Kitzmiller, included those received from State BEP, County property tax, local option sales tax and from student enrollment. Dr. Kitzmiller pointed out that the current budget includes \$3.3 million of debt service that won't be there next year and the BOE is requesting a one-time transfer of funds from the City in the amount of \$710,000, which would cover:

• Telephone system replacement	\$200,000
• Network switch replacement	350,000
• Buses (2 @ \$80,000)	<u>160,000</u>
<b>TOTAL</b>	<b>\$710,000</b>

Board discussion followed regarding confirmation that any salary increase was mandatory and not discretionary, additional funding demands to staff the new John Adams elementary school, the enrollment of approximately 240 students in the new school; specific uses of ARRA (American Recovery and Reinvestment Act) funds; and the need to relocate the Central offices and other staff members into a central location.

Alderman Munsey asked about the *Eastman Plan of Services* amount of \$355,600 on page 15 of the handout and questioned whether it should be included on a year-to-year basis which he opined was not the original intention when set up in association with the City's Long Island annexation. City Manager Campbell will check further into this funding situation.

**Minutes of the Regular Work Session of the Board of Mayor and Aldermen of  
Kingsport, Tennessee, Monday, April 20, 2009**

At this point, Mayor Phillips asked for any public comments.

**Michael Bennett**, a young man residing at 4821 Preston Park in Kingsport, spoke in support of keeping the Spanish program in the Kingsport elementary school he attends and requested the BMA continue to provide the necessary funding to do so.

**Ms. Mary McNabb** stated her agreement with Alderman Shupe in his comments that teachers are a wonderful asset to the City and should not lose any of their raises or benefits.

Mayor Phillips attempted to finalize discussion on the KSC budget presentation by stating that no agreement will be reached at tonight's meeting but will provide the City Manager and School Fiscal Officer David Frye with information going forward in further meetings to work out final details of the KCS's budget.

***[The Board then addressed meeting agenda budget items related to school business.]***

Regarding BMA Agenda Item **VI.B.1**, Alderman Munsey opined that the Eastman funds being appropriated for upgrading school telephone systems were never intended for capital improvement for schools, just new programs. Mr. Frye responded that "new and innovative programs" have been interpreted as equipment for purposes of using these funds. Alderman Marsh questioned the need for such an expensive and extensive telephone system.

Alderman Marsh mentioned that he has over 50 friends and acquaintances that have lost jobs this year and is reluctant to support any tax increase, making the amount requested by the school system very difficult to provide. Regarding relocating the Central Office, he would like the BOE to consider use of an existing, vacant City-owned building in order to contain the cost of that project.

Mr. Marsh asked that Mr. Frye and/or Dr. Kitzmiller provide totals for payroll costs, broken into the percentage of teachers only and percentage of support (any non-teaching position). He is interested in these figures because he believes it would be helpful to see how labor intensive the school system is and he believes that staff reduction could be addressed more aggressively in the KCS budget.

In response to a statement made by Vice-Mayor Mallicote about funding operating costs necessary to run the John Adams Elementary School and discussion held at the time of discussing the construction, Alderman Marsh read from the November 6, 2006 BMA Work Session meeting minutes: "*Alderman Marsh also asked if KCS is able to finance operating costs for the initial years of the new Rock Springs school, until student population supports those costs. Dr. Kitzmiller again answered affirmatively, but qualified his response, indicating that trends in state funding could be a factor.*"

**Minutes of the Regular Work Session of the Board of Mayor and Aldermen of  
Kingsport, Tennessee, Monday, April 20, 2009**

Alderman Munsey mentioned he remembered the BMA agreeing to pay for construction of the school and BMA members interpreting Dr. Kitzmiller's response to mean that the school system would be able to cover the operating costs.

Alderman Shull said that, as the only alderman with children in school system, he is and impressed with the professionalism of the staff, believes the product is good and see the school district challenged to do the least cost possible. He would like to see the rest of the City's budget to determine what it would entail to accommodate a \$1.7 million increase for schools and said he is committed to maintaining a high level of education.

***[Aldermen Marsh and Shupe left the meeting around 6:20 p.m.]***

**5. REVIEW OF AGENDA ITEMS ON APRIL 21, 2009 REGULAR BUSINESS AGENDA.** City Manager Campbell, members of staff and community members provided a summary or presentation for each item on the proposed agenda. Those items the Board discussed at greater length or which received specific questions or concerns included:

**VI.B.10 Consideration of a Resolution Authorizing the Mayor to Execute a Contract with CareSpark and an Amendment to the Contract with United Healthcare (AF: 104-2009).** Ms. Leisa Jenkins, Executive Director of CareSpark provided Board members with a handout and described the reasoning and background behind requesting the City participate in this electronic method of medical recordkeeping services.

***[Alderman Munsey left the meeting at 6:47 p.m. during Ryan's explanation of VI.D.5.]***

**6. PRESENTATION ON CLINCHFIELD/EAST CENTER STREETS INTERSECTION.** Public Works Director Ryan McReynolds gave a brief update and Mayor Phillips requested the City staff work with Domtar on this improvement.

**7. ADJOURN.** Seeing no other matters presented for discussion at this work session, Mayor Phillips adjourned the meeting at 7:05 p.m.

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ELIZABETH A. GILBERT  
Deputy City Recorder

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DENNIS R. PHILLIPS  
Mayor

Minutes of the Regular Business Meeting of the  
Board of Mayor and Aldermen of the City of Kingsport, Tennessee  
Tuesday, April 21, 2009, 7:00 PM  
Large Court Room – City Hall

PRESENT:

Board of Mayor and Aldermen

Mayor Dennis R. Phillips, Presiding

Alderman Valerie Joh

Vice-Mayor Benjamin K. Mallicote

Alderman Charles K. Marsh, Jr.

Alderman Larry A. Munsey

Alderman Patrick W. Shull

City Administration

John G. Campbell, City Manager

J. Michael Billingsley, City Attorney

James H. Demming, City Recorder

- I. **CALL TO ORDER:** 7:00 p.m., by Mayor Dennis R. Phillips.
- II.A. **PLEDGE OF ALLEGIANCE TO THE FLAG:** Led by Ms. Linda Freeman, wife of City Building Manager Mike Freeman.
- II.B. **INVOCATION:** by Associate Minister Jack Weikel of First Broad Street United Methodist Church.
- III. **ROLL CALL:** By City Recorder Jim Demming. Absent: Alderman Jantry Shupe.
- IV. **RECOGNITIONS AND PRESENTATIONS.**

**A. KEEP KINGSFORT BEAUTIFUL SCHOOLS ENVIRONMENTAL POSTER CONTEST.**

Mayor Phillips explained this contest was for elementary students whose winning posters are on display at the Kingsport Town Center. He thanked the children for entering posters and encouraged everyone to go by and see the artwork. Vice-Mayor Mallicote read the students' names and each was presented with a certificate and thanked individually.

**V. APPROVAL OF MINUTES.**

Motion/Second: Munsey/Joh, to approve minutes for the following meetings:

A. April 6, 2009 Regular Work Sessions

B. April 7, 2009 Regular Business Meeting

Approved: All present voting "aye."

**VI. COMMUNITY INTEREST ITEMS.**

**AA. PUBLIC HEARINGS.**

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen  
of the City of Kingsport, Tennessee, Tuesday, April 21, 2009**

**1. Public Hearing for Annexation Plan of Services Report** (AF: 92-2009). City Planner Ken Weems provided a brief overview of this report and, in response to an inquiry from Alderman Shull. Mr. Weems explained that the Proposed Urban Growth Boundary Area Land Use Study referred to in this action is the 2010 Land Use Plan and the Planning Department is working on updating that 20-year plan, replacing it with the 2030 Land Use Plan. He said an initial draft has been reviewed by the Kingsport Regional Planning Commission at its last meeting and there will be a hearing for public input. Mr. Weems will provide Alderman Shull with a copy of the proposed plan, as requested.

**PUBLIC COMMENT ON ITEM VI.AA.1. None.**

**A. PUBLIC COMMENT.** Mayor Phillips invited citizens in attendance to speak about any of the remaining agenda items. There being no one coming forward to speak, the Mayor closed the public comment segment.

**B. BUSINESS MATTERS REQUIRING FIRST READING.**

**1. Consideration of an Ordinance to Amend General Project Fund Budget** (AF: 108-2009). City Manager Campbell explained that this budget amendment (Number Six) will transfer funds to be used for the *Sevier Band Room/Storage Expansion* project, as well as establishing a new *Upgrade to KCS (Kingsport City Schools) Telephone System* project.

Motion/Second: Joh/Munsey, to pass:

AN ORDINANCE TO AMEND THE GENERAL PROJECT FUND BUDGET; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting "aye."

**2. Consideration of an Ordinance to Amend the Eastman Annexation Tax Fund Budget** (AF: 112-2009). City Manager Campbell stated that this amendment is also related to the aforementioned *Upgrade to KCS Telephone System* project.

Motion/Second: Joh/Munsey, to pass:

AN ORDINANCE TO AMEND THE EASTMAN ANNEXATION TAX FUND BUDGET; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting "aye."

**C. BUSINESS MATTERS REQUIRING FINAL ADOPTION.**

**1. Consideration of an Ordinance Amending the FY09 Community Development Budget** (AF: 90-2009).



**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen  
of the City of Kingsport, Tennessee, Tuesday, April 21, 2009**

Motion/Second: Munsey/Joh, to pass:

**ORDINANCE NO. 5829**, AN ORDINANCE TO AMEND THE COMMUNITY DEVELOPMENT BLOCK GRANT PROJECT FUND BY ESTABLISHING THE KINGSFORT ALLIANCE FOR HOUSING REVITALIZATION (KAHR) PROJECT THAT IS FUNDED THROUGH THE 2009 AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA); AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Munsey, Shull and Phillips voting "aye."

**D. OTHER BUSINESS.**

**1. Consideration of a Resolution to Approve the Offer and Authorize the Mayor to Execute all Documents Necessary for the Acquisition of Property Located at 1316 Summer Street for the Kingsport City School System (AF: 101-2009).**

Motion/Second: Joh/Munsey, to pass:

**Resolution No. 2009-212**, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER FOR THE PURCHASE OF PROPERTY LOCATED AT 1316 SUMMER STREET

Passed: All present voting "aye."

**2. Consideration of a Resolution to Approve the Offer and Authorize the Mayor to Execute all Documents Necessary for the Acquisition of Property Located at 2210 Overlook Road for the Kingsport City School System (AF: 102-2009).**

Motion/Second: Joh/Munsey, to pass:

**Resolution No. 2009-213**, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER FOR THE PURCHASE OF PROPERTY LOCATED AT 2210 OVERLOOK ROAD

Passed: All present voting "aye."

**3. Consideration of a Resolution Awarding a Contract for the Construction of the V.O. Dobbins Community Center Additions to J. A. Street & Associates and Authorizing the Mayor to Sign all Documents Necessary to Execute the Contract (AF: 109-2009).** Assistant to the City Manager, Chris McCartt, provided information regarding this contract award, as well as details of the project.

Alderman Marsh believes this project has grown beyond the original concept discussed and sees the current scope as the City subsidizing nonprofit entities who are currently leasing from the private sector, mainly in downtown locations. He has consistently opposed this portion of the renovation project and will continue to do so.

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen  
of the City of Kingsport, Tennessee, Tuesday, April 21, 2009**

Alderman Shull stated his agreement with Mr. Marsh's view, but added that he will vote for this action because the scope of the project is a settled matter and tonight's vote is just approving the City Manager's recommendation for selecting a construction firm. He reiterated that he also believes this project goes way beyond the original scope and competes with the private sector.

Motion/Second: Mallicote/Munsey, to pass:

**Resolution No. 2009-214**, A RESOLUTION AWARDDING A CONTRACT FOR CONSTRUCTION OF THE V.O. DOBBINS COMMUNITY CENTER ADDITIONS TO J.A. STREET & ASSOCIATES AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE CONTRACT

Passed: All present voting "aye" except Marsh voting "nay."

**4. Consideration of a Resolution Awarding the Bid for Parking Lot Improvements – Dobyns Bennett High School to Lyons Construction Company, Inc. and Authorize the Mayor to Sign all Applicable Documents (AF: 111-2009).**

Motion/Second: Joh/Munsey, to pass:

**Resolution No. 2009-215**, A RESOLUTION AWARDDING THE BID FOR PARKING LOT IMPROVEMENTS – DOBYNS BENNETT HIGH SCHOOL TO LYONS CONSTRUCTION COMPANY, INC. AND AUTHORIZE THE MAYOR TO SIGN ALL APPLICABLE DOCUMENTS

Passed: All present voting "aye."

**5. Consideration of a Resolution to Authorize the Mayor to Execute Documents to Apply for and Receive a Clean Water Revolving Loan from the State of Tennessee for Funds Related to the American Recovery and Reinvestment Act (AF: 115-2009).**

Motion/Second: Shull/Mallicote, to pass:

**Resolution No. 2009-216**, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE A CLEAN WATER REVOLVING LOAN FROM THE STATE OF TENNESSEE

Passed: All present voting "aye."

**6. Consideration of a Resolution Authorizing the Mayor to Execute Acceptance of Quotation and all Other Documents Necessary from Infranet Corp. for the Public Safety Technology Upgrade (AF: 113-2009).**

Motion/Second: Munsey/Joh, to pass:

**Resolution No. 2009-217**, A RESOLUTION APPROVING A QUOTATION AND AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO PURCHASE HARDWARE ESSENTIAL FOR THE PUBLIC SAFETY DIVISION'S TECHNOLOGY UPGRADE FROM INFRANET CORPORATION

Passed: All present voting "aye."

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**7. Consideration of a Resolution Authorizing the Mayor to Execute all Documents Necessary and Proper to Apply for and Receive a Grant for \$165,000.00 from the Department of Justice, 2009 Local Justice Assistance Grant Program (JAG) (AF: 117-2009).**

Motion/Second: Joh/Shull, to pass:

**Resolution No. 2009-218, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE UNITED STATES DEPARTMENT OF JUSTICE, 2009 LOCAL JUSTICE ASSISTANCE GRANT PROGRAM FUNDING FOR THE PURCHASE OF EQUIPMENT AND/OR TECHNOLOGY FOR THE KINGSFORT POLICE DEPARTMENT**

Passed: All present voting "aye."

**8. Consideration of a Resolution to Authorize the Mayor to Execute Documents Necessary to Accept a United States Department of Agriculture – Farmers Market Promotion Program Grant (AF: 105-2009).**

Motion/Second: Munsey/Mallicote, to pass:

**Resolution No. 2009-219, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE UNITED STATES DEPARTMENT OF AGRICULTURE FARMERS MARKET PROMOTION PROGRAM GRANT FUNDS**

Passed: All present voting "aye."

**9. Consideration of a Resolution Awarding the Bid for the Purchase of 5 Each 9-Passenger High Top Raised Roof Vans to Mid-South Bus Center, Inc. (AF: 116-2009).**

Motion/Second: Joh/Shull, to pass:

**Resolution No. 2009-220, A RESOLUTION AWARDED THE BID FOR PURCHASE OF FIVE (5) HIGH TOP RAISED ROOF NINE PASSENGER VANS TO MID-SOUTHBUS CENTER, INC**

Passed: All present voting "aye."

**10. Consideration of a Resolution Authorizing the Mayor to Execute a Contract with CareSpark and an Amendment to the Contract with United Healthcare (AF: 104-2009).**

Motion/Second: Munsey/Mallicote, to pass:

**Resolution No. 2009-221, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT WITH CARESPARK AND AN AMENDMENT TO THE CONTRACT WITH UNITED HEALTHCARE OF THE RIVER VALLEY**

Passed: All present voting "aye."

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**11. Consideration of a Resolution for an Amendment to the Fee Resolution (AF: 114-2009).** Mayor Phillips expressed concern about the interest rate involved in this sewer tap fee arrangement and asked City staff to look at possible options for lowering this rate. Alderman Munsey asked that follow-up on the interest rate research be added to the BMA's work session tickler for further Board discussion and consideration.

Motion/Second: Mallicote/Joh, to pass:

**Resolution No. 2009-222, A RESOLUTION TO AMEND RESOLUTION NO. 2008-218 AND RATES, FEES AND CHARGES THEREIN**

Passed: All present voting "aye."

**E. APPOINTMENTS.**

**1. Consideration of Appointment to the Electrical Board of Examiners (AF: 103-2009).**

Motion/Second: Joh/Shull, to approve the following:

- APPOINTMENT OF MR. DOUG GILLIAM TO SERVE A FIVE-YEAR TERM ON THE ELECTRICAL BOARD OF EXAMINERS EFFECTIVE APRIL 30, 2009 AND EXPIRING APRIL 30, 2014

Passed: All present voting "aye."

**VII. CONSENT AGENDA.**

**Consent Agenda items are considered under one motion.**

Motion/Second: Munsey/Mallicote, to adopt:

**1. Consideration of a Budget Ordinance Amending the FY 08/09 Emergency Shelter Grant Budget with the Greater Kingsport Alliance for Development (GKAD) (AF: 91-2009).**

Adopt:

**Ordinance No. 5830, AN ORDINANCE TO AMEND THE COMMUNITY DEVELOPMENT BLOCK GRANT PROJECT FUND BY APPROPRIATING FUNDS FROM THE TENNESSEE HOUSING DEVELOPMENT AGENCY TO THE EMERGENCY SHELTER GRANT PROJECT (CD0917); AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE**

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Munsey, Shull and Phillips voting "aye."

**2. Consideration of a Budget Ordinance Establishing a Project Relating to the American Recovery and Reinvestment Act (ARRA) of 2009 Transportation Improvement Projects (AF: 99-2009).**

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Adopt:

**Ordinance No. 5831**, AN ORDINANCE TO AMEND THE METROPOLITAN PLANNING ORGANIZATION PROJECT FUND BUDGET BY ESTABLISHING A BUDGET FOR TRANSPORTATION PROJECTS THAT ARE FUNDED THROUGH THE AMERICAN RECOVERY AND REINVESTMENT ACT; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Munsey, Shull and Phillips voting "aye."

**3. Consideration of an Ordinance to Amend the Schools General Project Fund Budget (AF: 94-2009).**

Adopt:

**Ordinance No. 5831**, AN ORDINANCE TO AMEND THE GENERAL PROJECT FUND BUDGET; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Munsey, Shull and Phillips voting "aye."

**4. Consideration of Approval of Offers for Rights-of-Way and Easements for the Industrial Park South Roadway Project (AF: 107 -2009).**

Approve:

RIGHTS-OF-WAY AND EASEMENTS FOR THE INDUSTRIAL PARK SOUTH ROADWAY PROJECT

Passed on second reading in a roll call vote: Joh, Mallicote, Marsh, Munsey, Shull and Phillips voting "aye."

**VIII. COMMUNICATIONS.**

**A. CITY MANAGER.** City Manager Campbell shared that the City of Kingsport was named as one of four Tennessee cities to make the *Relocate-America's Top 100 Places to Live in 2009* list which he pointed out is quite an honor and great recognition of the City's many accomplishments.

**B. MAYOR AND BOARD MEMBERS.** Alderman Joh mentioned the City had another retail grand opening as Best Buy opened last weekend, with outstanding success by exceeding its projected opening goal.

Alderman Shull invited all to attend the Annual Spring Fair held at the Exchange Place this coming weekend.

Mayor Phillips announced that the Keep Kingsport Beautiful committee will be holding its annual Great American Clean-up in downtown Kingsport on Saturday, May 9th, from 8:00 a.m. to 12:00 noon and encouraged Board members and the general public alike to join in cleaning up the downtown area.

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The Mayor mentioned that the City was recently named in the Top 50 governmental programs competing for Harvard University's Innovations in American Government awards. The City was honored and recognized for its Higher Education initiative.

**C. VISITORS.** None.

**IX. ADJOURN.** Seeing no other business for consideration at this meeting, Mayor Phillips adjourned the meeting at 8:00 p.m.

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ELIZABETH A. GILBERT  
Deputy City Recorder

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DENNIS R. PHILLIPS  
Mayor



## AGENDA ACTION FORM

### Consideration of an Ordinance Establishing a Policy in Compliance with T.C.A. Section 47-18-2901 for the Protection of Confidential Information on Laptop Computers and Removable Storage Devices

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager

Action Form No.: AF 87-2009  
 Work Session: May 4, 2009  
 First Reading: May 5, 2009

Final Adoption: May 19, 2009  
 Staff Work By: Wexler, Billingsley  
 Presentation By: Billingsley

**Recommendations:** Approve the ordinance.

### **Executive Summary:**

In the last legislative session the General Assembly passed what is now codified as T. C. A. Section 47-18-2901. That code section requires all municipalities to create safeguards and procedures for ensuring that confidential information regarding citizens is securely protected on all laptop computers and other removable storage devices used by the municipality. Failure to comply with this section creates a cause of action or claim for damages against the municipality if a citizen of this state proves by clear and convincing evidence that the citizen was a victim of identity theft due to a failure to provide safeguards and procedures regarding that citizen's confidential information. The attached ordinance enacts a policy to comply with this state law.

This ordinance will apply to all city employees including city school employees. Dr. Kitzmiller and his information services employees have reviewed and concur with the policy contained in the ordinance

### **Attachments:**

1. Ordinance
2. Copy of T.C.A. section 47-18-2901

	<u>Y</u>	<u>N</u>	<u>O</u>
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—

# PRE-FILED CITY RECORDER

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE ENACTING A POLICY CREATING SAFEGUARDS AND PROCEDURES FOR ENSURING CONFIDENTIAL INFORMATION REGARDING CITIZENS IS SECURELY PROTECTED ON ALL ON LAPTOP COMPUTERS AND REMOVABLE STORAGE DEVICES FOR THE CITY OF KINGSPORT; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

BE IT ORDAINED BY THE CITY OF KINGSPORT, as follows:

SECTION I. That the following policy is adopted to comply with the requirements of Tennessee Code Annotated 47-18-2901 wherein all municipalities must create safeguards and procedures for ensuring that confidential information regarding citizens is securely protected on all laptop computers and other removable storage devices used by the municipality:

## **PROTECTION OF CONFIDENTIAL INFORMATION ON LAPTOP COMPUTERS AND REMOVABLE STORAGE DEVICES**

This purpose of this policy is to comply with the requirements of T.C.A. section 47-18-2901. This policy applies to city employees, city school employees and any officer holder, board, commission or committee member of the city or the city school system or any other person or entity having access to confidential information in the possession of the City of Kingsport.

### **Transmission or Storage of Confidential Information**

Confidential data or information is all information in electronic form that is made confidential by Tennessee law, including such information set out in T.C.A. section 10-7-504, or that is protected by applicable federal law, including the Family Educational Rights and Privacy Act (FERPA), the Health Insurance Portability and Accountability Act (HIPAA), or the Gramm-Leach Bliley Act (GLBA). It also includes, but is not limited to, social security numbers, personal financial information, debit/credit card numbers, and personally identifiable health information.

If confidential data is subject to physical or virtual movement and there is the potential of loss of data, it must be encrypted. Confidential data contained on all laptops and tablet computers, portable media or storage devices, such as thumb drives, flash drives, zip drives, CD's, DVD's, MP3, floppy disks, handheld devices such as Portable Digital Assistants (PDAs), Palm Pilots, Microsoft Pocket PCs, RIM (Blackberry); smart phones; and converged devices, any removable storage device, or any device that contains confidential information that can easily be carried out of the workplace shall be encrypted irrespective of device ownership. Confidential information contained on any servers or storage device in a physically insecure location and subject to physical loss shall be encrypted. All emails containing confidential information shall be encrypted. All electronic transmission of confidential information shall be encrypted.

Employees are responsible for protecting confidential information from physical or cyber theft or loss, electronic invasion, or unintentional exposure. Each user in the possession of confidential information is responsible for protecting the information from improper disclosure, even if inadvertent, unintentional. Confidential information shall not be loaded onto any laptop computer or other removable storage device or media unless protective



measures are implemented that safeguard the confidentiality and integrity of the information in the event of theft or loss, which includes encryption of the information.

Confidential information must be protected against threats such as malicious misuse, unauthorized intrusions, and/or inadvertent compromise. The use of unprotected equipment to access or store confidential data is prohibited, whether or not the equipment is owned or controlled by the City of Kingsport.

Any confidential information transmitted through outside email, a public network (e.g., Internet) to and from vendors, customers, or entities doing business with the City of Kingsport must be encrypted.

Transmitting confidential information through the use of web email programs, chat programs or online peer-to-peer file sharing is not permitted. Wireless (Wi-fi) transmissions of confidential information are discouraged and if made must be encrypted.

If the encryption method includes a password, that password must be transferred through an alternative method, such as calling the individual and leaving the password on their voice mail. Email messages containing encrypted information shall never include the password in the same message as the encrypted information.

### **Key Management**

Private keys must be kept confidential. Key management must be fully automated. Short life keys are to be used ensured by having activation and deactivation dates. Long-life keys should be used sparingly. Keys in storage and transit must be encrypted. Keys must be chosen randomly from entire key space. Keys for encrypting keys must be used separately from keys used for decrypting information. They are not interchangeable.

Encryption keys used to encrypt information must not be stored with or on the device. The Information Services department must retain a "master key" and establish a key management process for access to the information should the employee lose his or her key.

Confidential information shall be encrypted with algorithms utilizing a key length of 128 bits or longer.

Acceptable encryption methods employ a user-specified password to generate an encrypted output, called cipher text, in such a way that, given the cipher text, it is extremely difficult to recover the original plaintext without the encryption password in a reasonable amount of time. The algorithms that combine the keys and plaintext that are acceptable fall in one of the three following categories include, *but are not limited to*:

- Block Cipher
- Stream Cipher
- Hash Algorithms

Unacceptable encryption methods include, *but are not limited to*:

- DES (Data Encryption Standard)
- Wired Equivalent Privacy (WEP)

The failure to comply with the requirements of this policy may result in corrective action and denial of access to confidential information, which if the individual is an employee could result in the loss of employment if such access is necessary to the job function.

SECTION II. That in the event a laptop computer and other removable storage device used by the municipality is lost or stolen, the theft or loss must be reported immediately to the city manager or superintendent of schools, as applicable, and the risk manager of the city. In the event that confidential information contained on any personally-owned computer or removable storage device is lost or stolen, the theft or loss must be reported immediately to the city manager or superintendent of schools, as applicable, and the risk manager of the city. In the event a municipally-owned laptop computer or removable storage device is lost or stolen, resulting in the unencrypted personal information of any Tennessee resident being, or reasonably believed to be, breached, the municipality must disclose the breach to the affected citizens in accordance with T.C.A. section 47-18-2107. This notification must occur in the most expedient time possible, consistent with the legitimate needs of law enforcement. The city manager is responsible for this notification process.

SECTION III. That this policy is applicable to all laptop computers and other removable storage devices used by the municipality, or any personally-owned computer or removable storage device that contains confidential information defined hereinabove and includes any such laptop computer or removable storage device used by city employees, city school employees, and any officer holder, board, commission or committee member of the city or the city school system or any other person or entity having access to confidential information in the possession of the City of Kingsport.

SECTION IV. That this ordinance shall take effect from and after its date of passage, as the law directs, the welfare of the City of Kingsport, Tennessee requiring it.

\_\_\_\_\_  
DENNIS R. PHILLIPS  
Mayor

ATTEST:

\_\_\_\_\_  
JAMES H. DEMMING  
City Recorder

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY  
City Attorney

PASSED ON 1ST READING \_\_\_\_\_  
PASSED ON 2ND READING \_\_\_\_\_

**47-18-2901. Safeguards and procedures for ensuring that confidential information protected on laptop computers and other removable storage devices — Claim for damages.**

(a) Each state agency shall create safeguards and procedures for ensuring that confidential information regarding citizens is securely protected on all laptop computers and other removable storage devices used by the state agency.

(b) All municipalities and counties shall create safeguards and procedures for ensuring that confidential information regarding citizens is securely protected on all laptop computers and other removable storage devices used by the municipality or county.

(c) Notwithstanding any other law to the contrary, failure to comply with this section shall create a cause of action or claim for damages against the state, municipality, or county if a citizen of this state proves by clear and convincing evidence that the citizen was a victim of identity theft due to a failure to provide safeguards and procedures regarding that citizen's confidential information.

[Acts 2008, ch. 688, § 1.]



## AGENDA ACTION FORM

### Consideration of a Resolution Authorizing Mayor to Sign a Supplier Purchase Agreement Between the City of Kingsport and Domtar Paper Company, LLC for Selling Wood Chips to Domtar

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager

Action Form No.: AF-120-2009  
 Work Session: May 4, 2009  
 First Reading: May 5, 2009

Final Adoption: May 5, 2009  
 Staff Work By: Ronnie Hammonds  
 Presentation By: Ryan McReynolds

#### Recommendation:

Approve the resolution.

#### Executive Summary:

We entered into an agreement with Domtar in April 2007 for the sale and purchase of wood chips from our demolition landfill. Domtar's Kingsport Mill recently made the commitment to meet the obligations of the Forest Stewardship Council (FSC) Chain of Custody (CoC) and Controlled Wood Standards. This caused them to make a change in their provider agreements. These changes basically concern the harvesting of wood. They are found in section 12 of the agreement. These changes should not affect the City of Kingsport since we are not a wood harvester.

#### Attachments:

1. Resolution
2. Agreement

Funding source appropriate and funds are available: N/A

	<u>Y</u>	<u>N</u>	<u>O</u>
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A  
SUPPLIER PURCHASE AGREEMENT BETWEEN THE CITY OF  
KINGSPORT AND DOMTAR PAPER COMPANY, LLC FOR THE  
SALE OF WOOD CHIPS TO DOMTAR PAPER COMPANY, LLC

WHEREAS, the city entered into an agreement with Domtar Paper Company, LLC in April, 2007 for the sale and purchase of wood chips from the city's demolition landfill; and

WHEREAS, Domtar Paper Company, LLC's Kingsport, Tennessee mill has committed to meet the obligations of the Forest Stewardship Council (FSC) Chain of Custody (CoC) and Controlled Wood Standards which has caused the company to make a change in their provider agreements; and

WHEREAS, the change basically concerns the harvesting of wood addressed in Section 12 of the agreement; and

WHEREAS, the change should not affect the city because it is not a wood harvester; and

WHEREAS, a Supplier Purchase Agreement must be executed to implement the change to the city's April, 2007 agreement with Domtar Paper Company, LLC.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That the Mayor, or in his absence, incapacity, or failure to act, the Vice Mayor, is authorized to execute, in a form approved by the City Attorney and subject to the requirements of Article X, Chapter 10 of the Charter of the City of Kingsport, a Supplier Purchase Agreement with Domtar Paper Company, LLC for the sale of wood chips from the city's demolition landfill to Domtar Paper Company, LLC.

SECTION II. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 5th day of May, 2009.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

\_\_\_\_\_  
JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY, CITY ATTORNEY



Tuesday, April 21, 2009

Ronnie Hammonds  
City of Kingsport  
225 W. Center Street  
Kingsport, TN 37660

Dear Ronnie Hammonds,

**Subject: Supplier Purchase Agreement**

The Kingsport Mill recently made the commitment to meet the obligations of the Forest Stewardship Council (FSC) Chain of Custody (CoC) and Controlled Wood Standards. Because of this, we are in the process of updating our wood procurement policies and documents to address the requirements of the FSC standards.

**As such, I ask that you review and sign the enclosed *Supplier Agreement* by Friday, May 1<sup>st</sup>.**

The change from previous agreements you will see is section 12, which spell out the Buyer and Seller FSC obligations. The portion of section 12 that deals with "Non FSC-Certified" wood is the addition to the agreement that affects most chip suppliers. This portion lists the five unacceptable sources of wood, namely:

- 1) illegally harvested wood;
- 2) wood harvested in violation of traditional and civil rights;
- 3) wood harvested from forests where high conservation values are threatened by management activities;
- 4) wood harvested from natural forests being converted to plantations or non-forest use and;
- 5) wood from forests in which genetically modified trees are planted.

Domtar Paper Company LLC has conducted a formal Risk Assessment of its entire wood procurement area and found all sources of wood to be "low risk" for all of the above categories of unacceptable wood. Further explanation of the five unacceptable categories is provided below:

- Illegal wood is stolen or comes from legally designated parks and reserves.

- Wood harvested in violation of traditional or civil rights addresses situations where indigenous peoples are living in forested areas that have been designated for harvesting and the local inhabitants are involuntarily forced to leave their land or give up a traditional hunting or fishing.
- High conservation value forests contain unique or rare features and are generally in a protected status such as parks, wilderness areas or are managed by conservation organizations.
- Natural forests being converted to plantations and non-forests is an issue only where large areas of intact “natural” forests are being deforested. Areas of concern include the Amazon River basin and other areas where land clearing and population growth is reducing the area of natural forests. This does not generally apply to harvesting in the U.S. associated with planned home sites or commercial development, or to the conversion of degraded forests to plantations.
- There are no genetically modified planted trees available for harvest in the U.S. at the present time.

For more information regarding the FSC or SFI standards, contact the Kingsport Wood Procurement Office or check their respective websites:  
[www.fsc.org](http://www.fsc.org) and [www.sfiprogram.org](http://www.sfiprogram.org)

I appreciate your assistance in this matter and look forward to continuing our business relationship. If you have any questions, please feel free to contact me.

Sincerely,

*Michael Morris*

Mr. Michael Morris  
Wood Procurement Manager  
Domtar Paper Company LLC  
Kingsport Mill

## FIBER PURCHASE AGREEMENT

THIS AGREEMENT entered into on this the 20 day of April, 2009

by and between City of Kingsport

whose address is 225 W. Center Street Kingsport TN 37660

hereinafter referred to as "Seller," and DOMTAR PAPER COMPANY, LLC, a Delaware limited liability company, hereinafter referred to as "Buyer";

### W I T N E S S E T H:

WHEREAS, the Seller is interested in selling Fiber

to the Buyer at the Buyer's facility in Kingsport, TN.

WHEREAS, the Buyer is interested in buying same from the Seller, the parties have hereunto come to the following terms and agreements:

1. QUANTITY: The Seller agrees to sell to the Buyer and the Buyer agrees to purchase and pay for material under the terms and conditions contained in the Agreement. The volume of material is as agreed upon by the Buyer and Seller.
2. TERM: This Agreement shall become effective immediately upon full execution hereof and shall remain in effect for a period of one year from the date set forth above, unless otherwise terminated, pursuant to the terms of this Agreement. This Agreement shall be automatically renewed each year. At any time, either party may cancel this Agreement by giving notice to the other party thirty (30) days prior to cancellation.
3. NOTICE: Any notice provided for in this Agreement shall be given by certified-return receipt mail or facsimile, receipt confirmed, at the following addresses:



BUYER Domtar Paper Company, LLC  
100 Clinchfield Street  
Kingsport, TN 37660  
FAX: 423-392-2858  
Attn. Wood Procurement

- (a) Worker's compensation or industrial accident as required by law, including employer's liability with a minimum limit of \$100,000 per accident;
- (b) Comprehensive or commercial general liability (occurrence form), including contractual and completed operations, with minimum limits of \$500,000 per occurrence and \$1,000,000 general aggregate. Buyer shall be designated as an additional insured.
- (c) Comprehensive automobile liability covering owned, hired and non-owned vehicles with minimum limits of \$500,000 per person and \$1,000,000 per accident for bodily injury and \$500,000 property damage, or combined single limit of \$1,000,000;
- (d) Comprehensive medical benefits coverage for Seller and its employees if Seller is exempt from worker's compensation required by law;

Further, Seller agrees to indemnify, defend and hold Buyer and its related companies harmless from any and all claims or causes of action which may result from Seller's acts or omissions in the furtherance of this Agreement.

5. WEIGHT DETERMINATION: All material sold by Seller and purchased by Buyer shall be weighed by the Buyer on its scales at the destination facility or at such other destination designated by the Buyer. Seller understands and agrees that Buyer requires, as a condition of this Agreement, that the Seller, or its agents, comply with state and municipality size and weight limitations on loads hauled in any state of travel. Seller agrees to indemnify, defend and hold Buyer and its related companies harmless from all claims or causes of action arising out of Seller's, or its agents, violation of this provision.

6. PAYMENT: Buyer shall make payment to Seller for the materials purchased Weekly, but in no case later than thirty (30) days from delivery and acceptance of the materials provided by Seller.

7. SPECIFICATIONS: All Fiber delivered to Buyer by Seller shall come from the Seller's facility and shall conform to the following specifications:

Wood Procurement Specifications – addendum A

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8. REJECTION OF GOODS: Buyer reserves the right to refuse acceptance of any material delivered by Seller if it does not substantially conform to the specifications set forth above. If, in Buyer's judgment, the Seller fails to maintain the quality of material in accordance with the specifications set forth above, the Buyer may terminate this Agreement by giving fifteen (15) days written notice to the Seller. After written notice is provided by Buyer of nonconforming material, the Buyer is under no further obligation to purchase material from the Seller.

9. SELLER'S WARRANTY: The Seller agrees to fully warrant title and origin of material delivered to Buyer. The material sold hereunder by Seller shall at all times conform to the Buyer's specifications.

10. SAFETY: The Seller agrees to comply with all state, federal and local laws concerning the preparation of and delivery of products being sold pursuant to this Agreement. Seller agrees to comply with all safety procedures required by the Buyer's at the Buyer's facility. A SAFETY REQUIREMENT'S and PROCEDURES sheet is made a part of this Agreement. Seller agrees to indemnify, defend and hold Buyer and its related companies harmless from any and all claims against the Buyer as a result of Seller's acts or omissions pursuant to the scope of this Agreement.

11. ENVIRONMENT - SFI: It is the Buyer's intent to be in full compliance with the Sustainable Forestry Initiative (SFI) standard. Full compliance to the SFI standard's Objective 8 requires cooperation by Seller. Buyer may make requests of Seller in regard to the SFI standard, including but not limited to:

- Encourage the use of Trained Loggers, as defined by State SFI Implementation Committee, to Seller's log suppliers;
- Annually report to Buyer, the percentage of wood fiber acquired by Buyer that originated from logs harvested by Trained Loggers;
- Make information available to forest landowners and Seller's log suppliers about the use of Best Management Practices, reforestation, and wildlife; and
- Annually report to Buyer, the number of parties who received information.

The Seller agrees to support the spirit and intent of the SFI program.

12. ENVIRONMENT - FSC: It is the Buyer's intent to meet the obligations of the Forest Stewardship Council (FSC) Chain of Custody (CoC) and Controlled Wood Standards. Buyer may make requests of Seller in regard to the FSC obligations, including but not limited to:

Where the Seller has an arraignment with Buyer to deliver wood from FSC Certified Sources, Seller agrees to the following provisions:

- Work with the Buyer to ensure that FSC Certified material is appropriately delivered to your manufacturing facilities according to the FSC Standards.
- Our company and loggers commit to operate according to, and in compliance with, the Buyer's established chain of custody procedures;
- Seller agrees to present the Job Name and/or other appropriate proof of certification including the certificate number of the land management organization;

- Seller agrees to not mix or substitute non-certified wood material with wood shipments that are considered and identified as “pure;”
- Seller agrees to maintain an up-to-date Purchase Agreement and Job Source Sheet in order to deliver wood and fiber to Domtar Paper Company LLC facilities; and
- Seller agrees to be part of the Buyer’s monitoring procedures to trace certified content from the forest to the Kingsport Mill.

Where the Seller delivers wood from Non FSC-Certified Sources, the Seller agrees to avoid sourcing wood from the five (5) unacceptable sources of wood, namely:

- illegally harvested wood;
- wood harvested in violation of traditional and civil rights;
- wood harvested from forests where high conservation values are threatened by management activities;
- wood harvested from natural forests being converted to plantations or non-forest use; and
- wood from forests in which genetically modified trees are planted.

13. FORCE MAJEURE: The obligations of either party shall be abated in the event the exercise of that obligation is limited due to conditions beyond that party’s reasonable control, including but not limited to, war, fire, weather conditions, strikes, riots, lockouts, labor strife, facility shutdowns, acts of God, or any other cause reasonably beyond the control of either party.

14. COMPLIANCE: Seller agrees to comply with all state, federal and local laws of and concerning the manufacture of the products being sold pursuant to this Agreement. Further, Seller agrees to indemnify, defend and hold Buyer and its related companies harmless from any and all claims against the Buyer as a result of Seller’s acts or omissions pursuant to the scope of this Agreement.

15. TERMINATION: Any proceeding of insolvency or bankruptcy by either party shall be deemed an event of termination of this Agreement, and in such event, no notice of termination is necessary.

16. INDEPENDENT CONTRACTOR: It is understood by and between the parties hereto that this is an Agreement of sale and purchase and is not in any form to be deemed a partnership between the parties hereto. The Seller is an independent contractor.

17. ENTIRE AGREEMENT: There are no other terms, conditions, or agreements between the parties other than what are set forth herein. Any additional terms to be hereinafter agreed upon shall be in writing and signed by both parties to be binding on them.

18. ASSIGNMENT: This Agreement shall not be assignable by either party without the other party's express prior written consent.

WITNESS our hands on this the date hereinabove first written.

SELLER: City of Kingsport

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

WITNESS: \_\_\_\_\_

BUYER: DOMTAR PAPER COMPANY, LLC

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

WITNESS: \_\_\_\_\_

## ADDENDUM - A

### WOOD PROCUREMENT SPECIFICATIONS Kingsport, Tennessee Purchased Wood Chips – General Policy/Procedure

#### CHIPS

**Sawmill Equipment** – Well maintained, effectively operated log debarker, chipper set and maintained to cut a ¾” wood chip: complete oversize screening using a top screen with a 1 ½” diameter round hole. The openings on the bottom “fines” screen should be a minimum of ¼” square or a 3/8” round hole or larger with unrestricted discharge.

**Chips**– All species of domestic hardwoods, except **Locust**, are acceptable. All chips are to be produced from sound, uncontaminated wood essentially free of bark, decay, charred wood, dirt or other foreign materials. **No Conifers (pines, hemlock, spruce, or cedar) will be accepted.**

**Chip Size** – Following are the sizes and objective percentages of each that are desired:

<u>Chip Size</u>	<u>Maximum Limit</u>
Oversize (Over 1 ¾” in length And more than 8mm thick)	9%
Fines (Under 3/16”)	1%
Bark	1%

#### HOG FUEL

1. The material cannot be treated with chemicals, stains , varnishes, resins or glues, etc.
2. Fresh green sawdust or fresh ground wood waste is preferred material.
3. The fuel must pass through our system without creating dust problems or jamming our system.

**Truck Deliveries** –Products are acceptable in vans having smooth floors and interior walls. All lining must be firmly attached at all times or removed prior to loading. All trailers must have a heavy duty, strongly braced ICC bump plate and must have adequate air intake vents. Kingsport’s truck dumps are hydraulic tilt platforms that raise both tractor and trailer for rapid dumping. For loads dumped in excess of 90,000 lbs. a processing fee will be charged.

**Buying Hours** – Currently open 7 days a week and 24 hours per day, unless otherwise specified.

**Safety Requirements** – All drivers are required to wear a **Hard Hat, Safety Glasses, and Ear Plugs** while on Domtar property. **Riders** are not allowed in the operating areas. Truck speed must be held below 15MPH unless a lower speed is posted.

**Penalty or Rejection** - These measures are unpleasant to all concerned so the intent is to correct product quality problems rather than apply punitive measures. The objective is “to make the best product possible at each location from the wood residue available”. Nevertheless, Domtar reserves the right to impose a penalty on poor quality product when the Seller is unresponsive to quality considerations or to refuse acceptance of products that would impair or damage our production operations.

**Payment** – A payment week is 12:01 AM Monday through 12:00 PM Sunday.

**Legal Compliance** – All products sold to Domtar are expected to be produced in full compliance of all applicable State and Federal Laws and Regulations. Should legal compliance become an unresolved issue, acceptance of products would be terminated. **A Purchase Agreement is required.**

For additional information, specific markets and price quotations, contact Domtar Paper Co. LLC., Kingsport, Tennessee 37660, phone 423/392-2789.

**All loads must be free of contaminants such as plastic, rocks, dirt, metal, large pieces of wood, etc.**



## AGENDA ACTION FORM

### Consideration of a Resolution Authorizing the Mayor to Execute an Agreement with the City of Bristol, TN as the Lead Entity for the Northeast TN/Southwest VA HOME Consortium

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager

Agenda Form No.: AF-118-2009  
 Work Session: May 4, 2009  
 First Reading: May 5, 2009

Final Adoption: May 5, 2009  
 Staff Work: Mark Haga  
 Presentation: Mark Haga

### Recommendation:

Approve Authorizing Resolution

### Executive Summary:

In June 2005, the City of Kingsport entered into an agreement with the City of Bristol, TN as Lead Entity of the Northeast TN/VA HOME Consortium for benefit of annual Home Investment Partnership (HOME) funds received from the U. S. Department of Housing and Urban Development (HUD). The term of the agreement expires on June 30, 2009. These agreements are required by HUD to match the 3-year qualification periods for HOME Participating Jurisdictions. The attached agreement outlines the terms and conditions by which the City of Bristol, TN, as Lead Entity for the HOME Consortium, will ensure that the City of Kingsport's share of HOME funding will benefit the citizens of Kingsport. The term of the agreement is July 1, 2009 to June 30, 2012.

### Attachments:

1. Agreement
2. Resolution

	<u>Y</u>	<u>N</u>	<u>O</u>
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—

**AGREEMENT FOR THE EXECUTION OF A  
HOME INVESTMENT PARTNERSHIPS PROGRAM**

This Agreement, made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2009, by and between the **City of Bristol, Tennessee**, serving as the Lead Entity for the Northeast Tennessee/Virginia HOME Consortium, a municipal corporation organized and existing under the laws of the State of Tennessee (hereinafter "Consortium Lead Entity"), and **Kingsport, Tennessee**, a municipal corporation organized and existing under the laws of the State of Tennessee (hereinafter "Agency").

**W I T N E S S E T H:**

WHEREAS, the Consortium Lead Entity has entered into an Agreement for a Home Investment Partnerships Program (hereinafter "Funding Agreement") with the U. S. Department of Housing and Urban Development (hereinafter "HUD"); and

WHEREAS, the City of Bristol, Tennessee as the Consortium Lead Entity has entered into an Agreement with the First Tennessee Development District to serve as the Administrative Agent for the Northeast Tennessee/Virginia HOME Consortium (hereinafter "Consortium"); and

WHEREAS, it is the purpose of this agreement to effect a specified portion of the program approved by the Funding Agreement in accordance with the policies expressed by and declared in Title II of the National Affordable Housing Act of 1990, as amended (hereinafter "Act"); and

WHEREAS, pursuant to said purpose, the Agency is undertaking certain activities and desires to engage the Consortium Lead Entity and the Administrative Agent to render certain assistance in such undertakings.

NOW, THEREFORE, for valuable consideration and mutual promises exchanged between the parties hereto, it is agreed as follows:

**A. SCOPE OF SERVICES:**

1. The services to be performed pursuant to this Agreement (hereinafter "Project"), shall be those specified in the Scope of Services (attached hereto as Attachment A) and listed in the Consolidated Plan submitted by the Consortium Lead Entity and approved by HUD as that Consolidated Plan now reads or as it may later be modified in accordance with regulations promulgated by HUD.

**B. DURATION OF AGREEMENT:**

This Agreement shall be effective for a three-year period beginning on July 1, 2009, and extending through June 30, 2012; however, the obligations shall remain in effect during the period of affordability required by the Act under 24 CFR Part 92.252 or 92.254. Attachment A, Scope of Services, shall be updated annually. The term of this agreement will expire on June 30, 2012. Upon approval by the Consortium Board, a one-year (ending June 30, 2013) extension to this term may



be granted by the Lead Entity. To qualify for an extension of this agreement, the Agency must satisfactorily demonstrate to the Board that its allocation will be disbursed within the extended period. Notification of intent to request extension should be submitted by the Agency no later than April 1, 2012.

**C. TERMS AND CONDITIONS:**

1. The Agency, through the Administrative Agent shall implement this agreement through a promissory note and deed of trust on all real properties receiving an investment of HOME funds which shall require compliance with all applicable HOME Program requirements. This Agreement shall be considered breached if the Agency materially fails to comply with any term in this Agreement and shall result in the termination of this Agreement. All HOME funds disbursed on behalf of the Agency shall be recaptured by the Consortium.
2. The Administrative Agent shall assume responsibility for managing the day-to-day operations of its HOME program, to assure compliance with program requirements outlined in 24 CFR Part 92, and for taking appropriate action when performance problems arise.
3. The Agency authorizes the Administrative Agent to assume responsibility for ensuring that housing it has assisted with HOME funds meets the affordability and resale requirements of 24 CFR 92.252 or 92.254 as applicable.
4. All repayment, interest, and other return on the investment of HOME funds in Kingsport shall be retained by the Consortium for use to fund additional HOME-eligible activities in Kingsport. All Program Income funds shall be expended prior to drawing down additional HOME funds.
5. Program Income derived from Consortium activities remains Consortium Program Income – even if those activities were carried out in, or by, a jurisdiction that has left the Consortium.
6. For each project receiving HOME funds, the Administrative Agent shall submit a Project Completion report to the Lead Entity with the final draw down request.
7. The Consortium Lead Entity shall hold the Agency responsible for complying with the provisions of this agreement.
8. None of the following or their immediate family members, during the tenure of the subject person or for one year thereafter, shall have any direct or indirect financial interest in any contract, subcontract or the proceeds thereof for work to be performed in connection with the program assisted under this agreement: employees, agents, or officials of the Agency, including members of the governing body, who exercise any function or responsibility with respect to the program. The same prohibition shall be incorporated in all such contracts and subcontracts.
9. The assistance provided under this agreement shall not be used by the Agency to pay a third party to lobby the United States government for funding approval, approval of applications for additional assistance, or any other approval or concurrence of HUD required under this agreement. However, HOME funds may be used to pay reasonable fees for services that are eligible as a program cost.
10. The Agency shall reimburse the Consortium for any amount of HOME funds determined by HUD to have been improperly expended.

11. The Agency shall allow the Consortium Lead Entity to carry out monitoring and evaluation activities as determined necessary by the Consortium Lead Entity and HUD.
12. In the event of termination, all property and finished or unfinished documents, data, studies, and reports purchased or prepared by the Agency under this Agreement shall, at the option of the Consortium, become the property of the Consortium.

**D. FUNDING AND PAYMENT:**

1. The payment procedure under this Agreement shall be in accordance with the following method: Payment shall be on an expenditure basis upon receipt by the Lead Entity of a Pay Request Form, (form of which shall be provided by the Administrative Agent) which shall reflect expenditures and incurred expenses by budget line item. The Administrative Agent shall maintain support documentation such as invoices for all expenditures included on the Pay Request Form.
2. Requests for funds shall be made on an as-needed basis, unless otherwise agreed. The Pay Request shall reach the Consortium Lead Entity in a timely manner.
3. The Agency, through the Administrative Agent, shall request disbursement of HOME funds by the Lead Entity only at the time funds are needed for payment of eligible costs and to request an amount of funds limited to that needed to cover these costs. Upon signed approval by the Agency, the Lead Entity shall issue payment directly to the contractor on behalf of the eligible client.
4. Payments under this Agreement are limited to those HOME funds specified in the Project Budget but, in no event will the total compensation and reimbursement, if any, to be paid hereunder exceed the maximum allocation unless funding is reallocated by the Consortium Board.

**E. BUDGET CHANGES AND UNREIMBURSABLE EXPENSES:**

1. Except for changes made in accordance with subsection (2) below, any and all alterations in the approved use of budgeted funds shall be subject to prior review by the Consortium.
2. Funds may be shifted between line items of the Project without prior approval of the Consortium to the extent that such action does not result in a change in the Project and so long as it does not exceed ten percent (10%) of the line item total from which the funds are being removed or to which the funds are being added.
3. Any costs and expenses not covered by the Project Budget, and hence not properly payable from Grant funds, shall be borne entirely by the Agency.

**F. RECORDS AND REPORTS:**

1. The Administrative Agent shall maintain and shall make available at reasonable times and places to the Consortium Lead Entity such records and accounts, including property, personnel, and financial records, as are deemed necessary by the Consortium Lead Entity and/or state and federal agencies in order to assure a proper accounting for all project funds.

2. The Agency shall provide any duly authorized Consortium Lead Entity representative, Administrative Agent representative, representative of HUD and the Comptroller General of the United States, at all reasonable times, access to and the right to inspect, copy, monitor, and examine all of the books, papers, records, and other documents relating to the HOME funds and the fulfillment of this agreement for a period of three years following the completion of all close-out procedures respecting HOME funds, and the final settlement and conclusion of all issues arising out of the HOME loan.
3. The Agency shall work with the Administrative Agent to provide a quarterly report to the Lead Entity which includes accomplishments, beneficiaries, problems encountered and any other information needed by the Consortium Lead Entity to complete the Consolidated Annual Performance Report and other reports required by HUD.
4. The Lead Entity shall provide to HUD an Annual Audit Report performed in compliance with Office of Management and Budget Circular A-128 for the Northeast Tennessee/Virginia HOME Consortium.

**G. FINANCIAL ACCOUNTING:**

1. The Lead Entity shall establish and maintain fiscal and accounting records in accordance with generally accepted accounting principles and practices.
2. The Lead Entity shall not co-mingle accounts to an extent that prevents the accounting and auditing of the funds provided hereunder.
3. Funds provided hereunder are exclusively for the purposes of this Agreement under the terms and conditions of the Agreement, and the Agency shall not temporarily or permanently shift such funds to other programs or for other purposes for any reason, without prior consent of the Consortium Board of Directors.

**H. INSURANCE AND LIABILITY:**

To the extent permitted by law, the Consortium Lead Entity shall not be liable for claims for damages or losses arising out of the performance of this Agreement by the Agency, its employees, officers or agents and the Agency shall indemnify and hold harmless the Consortium Lead Entity, its officers, agents and employees from all such claims arising under this agreement.

**I. RESIDENT ECONOMIC OPPORTUNITY:**

1. The Agency shall take affirmative action to ensure that residents of the project area are given maximum opportunity for training, employment and business opportunities.
2. When qualified applicants are available, preference shall be given to residents of the project area in filling all training, business opportunities and jobs generated by the program even where employment results outside the geographic boundary of the project area.

**J. PUBLICITY:**

The Agency shall make every effort in its publicity and in other ways, to fully inform the public concerning the project. Any publicity given to the project must recognize the Northeast Tennessee/Virginia HOME Consortium as the sponsor and the project being funded by HUD through the HOME Investment Partnerships Program.

**K. SUSPENSION OR TERMINATION FOR CAUSE:**

1. The Consortium, through the Consortium Lead Entity, upon written notice to the Administrative Agent, may suspend or terminate payment of Grant funds to the Agency in whole or in part for cause which shall include, but not be limited to, the following:
  - (a) Ineffective or improper use of Grant funds;
  - (b) Failure to comply with the terms and conditions of this Agreement;
  - (c) Submission to the Consortium of reports which are incorrect or incomplete in any material respect;
  - (d) Suspension of the Grant from HUD to the Consortium in whole or part for any reason.
2. The Consortium, upon written notice to the Administrative Agent, may also withhold payment of any unearned portion of the Grant if the Agency is unable or unwilling to accept any additional conditions that may be provided by law, by executive order, by regulations or by other policy announced by HUD.
3. If the Consortium withholds payment, it shall advise the Agency in writing what action must be taken as a condition precedent to the resumption of payments.

**L. DOCUMENTS OF INCORPORATION:**

This Agreement is expressly made subject to all Attachments hereto, to all of the attachments, provisions, requirements, federal, state and local laws, rules and regulations of the July 1, 2008, Northeast Tennessee/Virginia Consortium Joint Cooperation Agreement and of the Funding Agreement between the Consortium Lead Entity and HUD and to any and all requirements, whether federal, state or local, verbal or written, placed upon Bristol, Tennessee, as the Consortium Lead Entity of the Northeast Tennessee/Virginia HOME Consortium. All of the foregoing are hereby made a part of this Agreement and incorporated herein by reference.

**M. MISCELLANEOUS PROVISIONS:**

1. The singular of any term used in this Agreement shall include the plural, and the masculine shall include the feminine, and vice versa.
2. A signed copy of this Agreement shall be considered as an original.
3. Service of all notices under this Agreement shall be sufficient if given personally, by registered or certified mail, returned receipt requested, and mailed to the party involved at the address and to the attention of the person set forth below, or to such other person or address as said party may provide in writing from time to time. Any such notice mailed to such address shall be effective upon the date received as shown by the returned receipt or otherwise:

IN WITNESS WHEREOF, the Consortium Lead Entity has caused this Agreement to be duly executed on its behalf and attested; and the Agency has caused the same to be duly executed and attested on its behalf.

CITY OF BRISTOL, TENNESSEE

---

JOEL D. STATON, MAYOR

ATTEST:

---

TARA MUSICK, CITY RECORDER

KINGSPORT, TENNESSEE

---

DENNIS R. PHILLIPS, MAYOR

ATTEST:

---

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

---

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

STATE OF TENNESSEE  
COUNTY OF SULLIVAN

Before me, a Notary Public in and for the aforesaid jurisdiction, personally appeared Mayor Joel D. Staton, to me known, or proved to me on the basis of satisfactory evidence, to be the person described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed.

Witness my hand and official seal, at office, on this the \_\_\_\_\_ day of \_\_\_\_\_, 2009.

\_\_\_\_\_  
Notary Public

My commission expires:

STATE OF TENNESSEE  
COUNTY OF SULLIVAN

Before me, a Notary Public in and for the aforesaid jurisdiction, personally appeared Mayor Dennis Phillips, to me known, or proved to me on the basis of satisfactory evidence, to be the person described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed.

Witness my hand and official seal, at office, on this the \_\_\_\_\_ day of \_\_\_\_\_, 2009.

\_\_\_\_\_  
Notary Public

My commission expires:

## **ATTACHMENT A**

### **2009-10 KINGSPORT, TENNESSEE REHABILITATION PROGRAM**

#### **SCOPE OF SERVICES**

1. Utilizing \$209,494 of 2009-10 HOME Consortium funds, Kingsport, Tennessee, will allocate \$140,000 to assist 18 homebuyers in conjunction with the HOPE VI project. The balance of \$69,494 will be utilized for additional homeownership assistance for low and moderate-income families. The City agrees to operate its program pursuant to Policies and Procedures approved by the Northeast Tennessee/Virginia HOME Consortium Board of Directors. The City also agrees to utilize the administrative services of the First Tennessee Development District. This Scope of Services may later be modified in accordance with regulations promulgated by HUD.

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION AUTHORIZING THE MAYOR TO  
EXECUTE AN AGREEMENT WITH THE CITY OF BRISTOL,  
TENNESSEE AS LEAD ENTITY FOR THE NORTHEAST  
TENNESSEE/VIRGINIA HOME CONSORTIUM**

WHEREAS, the City of Kingsport is a participating member of the Northeast Tennessee/Virginia HOME Consortium; and

WHEREAS, the participating members are required by the Department of Housing and Urban Development to enter into an agreement as subrecipient to the Lead Entity of a HOME Consortium; and

WHEREAS, the City wishes to implement the activities described in the Consortium's 2005 Consolidated Plan as approved by the Department of Housing and Urban Development.

Now therefore,

**BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS  
FOLLOWS:**

SECTION I. That the Mayor, or in his absence, incapacity, or failure to act, the Vice Mayor, is authorized to execute, in a form approved by the City Attorney, the 2009 Agreement with the City of Bristol, TENNESSEE as Lead Entity for the Northeast Tennessee/Virginia HOME Consortium.

SECTION II. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 5th day of May 2009.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

\_\_\_\_\_  
JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY, CITY ATTORNEY





## AGENDA ACTION FORM

**Consideration of a Resolution Authorizing the Mayor to Execute all Documents Necessary to Apply and Accept American Recovery and Reinvestment Funds, Section 5307, Federal Transit Administration Grant from the Department of Transportation**

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager

Action Form No.: AF-88-2009  
 Work Session: May 4, 2009  
 First Reading: May 5, 2009

Final Adoption: May 5, 2009  
 Staff Work By: Gary Taylor/Jack Qualls  
 Presentation By: Chris McCartt

**Recommendation:** Approve the Resolution

**Executive Summary:**

The Board of Mayor and Aldermen is required to approve an resolution authorizing the filing of an application with the Department of Transportation under the Urban Mass Transportation Act of 1964, as amended. This application is part of the American Recovery and Reinvestment Funds of FY'09 which provides funding to transit agencies for purchase of vehicles for replacement and expansion of the transit fleet. The term date of this grant is three years. Transit plans to purchase 8-10 vehicles over the next three years. We foresee seven vehicles purchased for replacement and 3 vehicles for expansion of service. This grant requires no local or state match.

The program of projects listed for this application is listed below:

Activity Description		Federal Amount	Federal/State/Local		
Purchase Vehicles		\$1,291,347	100%	0%	0%
Total		\$1,291,347			

**Attachments:**

- Resolution

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE FEDERAL TRANSIT ADMINISTRATION SECTION 5307 AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 GRANT FUNDS TO PURCHASE CAPITAL ITEMS FOR OPERATION OF A FIXED ROUTE BUS SERVICE AND ADA/HANDICAPPED TRANSPORTATION SERVICE IN THE CITY FOR FISCAL YEAR 2009

WHEREAS, the city desires to apply for Federal Transit Administration Section 5307 American Recovery and Recovery and Reinvestment Act of 2009 Grant funds, in the total amount of \$1,291,347.00, for operation of a fixed route bus service and ADA/handicapped transportation service for fiscal year 2009; and

WHEREAS, the City of Kingsport must enter into a contract with the Federal Transit Administration to receive the funds under Section 5307; and

WHEREAS, matching funds are not required.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That the Mayor, or in his absence, incapacity, or failure to act, the Vice Mayor, is authorized to execute, in a form approved by the City Attorney and subject to the requirements of Article X, Chapter 10 of the Charter of the City of Kingsport, all documents necessary and proper to apply for and receive Federal Transit Administration Section 5307 American Recovery and Reinvestment Act of 2009 Grant funds, in the total amount of \$1,291,347.00, to purchase capital equipment necessary for operation of a fixed route bus service and ADA/handicapped transportation service for fiscal year 2009.

SECTION II. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 5<sup>th</sup> day of May, 2009.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

\_\_\_\_\_  
JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY, CITY ATTORNEY



## AGENDA ACTION FORM

### Consideration of a Resolution Awarding the Bid for Additions and Alterations to John Sevier Middle School to Trademark of VA, Inc. and Authorizing the Mayor to Sign all Applicable Documents

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager

Action Form No.: AF-125-2009  
 Work Session: May 4, 2009  
 First Reading: May 5, 2009

Final Adoption: May 5, 2009  
 Staff Work By: Committee  
 Presentation By: S. Crawford

**Recommendation:** Approve the resolution.

**Executive Summary:** Bids were opened April 14, 2009 from ten bidders for Additions and Alterations to John Sevier Middle School. This project includes additions to instructional and storage areas and improved security and administration of the school entrance. It is recommended to accept the low bid from Trademark of VA, Inc. as follows:

Base Bid	\$497,400.00
Performance & Payment Bond	<u>8,500.00</u>
Total Bid	\$505,900.00
Contingency	\$ 30,350.00

Funding for this project is included in project number GP0906, Sevier Band Room Expansion.

**Attachments:**

1. Resolution
2. Bid Minutes

Funding source appropriate and funds are available: \_\_\_\_\_

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AWARDING THE BID FOR ADDITIONS AND ALTERATIONS TO JOHN SEVIER MIDDLE SCHOOL TO TRADEMARK OF VA, INC. AND AUTHORIZING THE MAYOR TO EXECUTE ALL APPLICABLE DOCUMENTS

WHEREAS, bids were opened April 14, 2009 for additions and alterations to John Sevier Middle School; and

WHEREAS, the project includes additions to instructional and storage areas and improved security and administration of the school entrance; and

WHEREAS, upon review of the bids, the board finds Trademark of VA, Inc. is the lowest responsible compliant bidder in the best interest and advantage to the city, and the City of Kingsport desires to enter into a contract with Trademark VA, Inc. for additions and alterations to John Sevier Middle School, in the amount of \$497,400.00 plus a performance and payment bond, in the amount of \$8,500.00, and a contingency, in the amount of \$30,350.00, for a total project cost of \$536,250.00; and

WHEREAS, funding is identified in Project Number GP0906, Sevier Band Room Expansion.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That the bid for additions and alterations to John Sevier Middle School is awarded to Trademark of VA, Inc.

SECTION II. That the Mayor, or in his absence, incapacity, or failure to act, the Vice Mayor, is authorized to execute, in a form approved by the City Attorney and subject to the requirements of Article X, Chapter 10 of the Charter of the City of Kingsport, a contract, and all other documents necessary and proper to effectuate the purpose of the contract, with Trademark of VA, Inc. for additions and alterations to John Sevier Middle School in the total project cost amount of \$505,900.00 plus a contingency of \$30,350.00.

SECTION III. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 5th day of May, 2009.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

\_\_\_\_\_  
JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY, CITY ATTORNEY

**MINUTES**  
**BID OPENING**  
**April 14, 2009**  
**4:00 P.M.**

Present: Sandy Crawford, Procurement Manager; Jim Wright and Jim Henderson, Wright and Henderson Architects; and David Frye, Schools

The Bid Opening was held in the Small Court Room, City Hall.

The Procurement Manager opened with the following bids:

ADDITIONS AND ALTERATIONS TO JOHN SEVIER MIDDLE SCHOOL							
Vendor:	Base Bid:	Alternate #1:	Performance & Payment Bonds:		Unit Prices:		
			Base Bid (+):	Alternate #1 (-):	Mass Rock:	Trench Rock:	Excav./Bckfl.:
Armstrong Construction Co., Inc.	\$528,500.00	\$49,800.00	\$5,300.00	\$500.00	\$175.00/CY.	\$225.00/CY.	\$52.00/CY.
C & T Construction Co., Inc.	\$596,137.00	\$50,567.00	\$9,117.00	\$867.00	\$225.00/CY.	\$275.00/CY.	\$50.00/CY.
Construction Contractors Co., Inc.	\$615,000.00	\$65,500.00	\$9,650.00	\$1,650.00	\$150.00/CY.	\$200.00/CY.	\$40.00/CY.
GRC, Inc.	\$537,000.00	\$50,000.00	\$5,200.00	\$500.00	\$80.00/CY.	\$150.00/CY.	\$54.00/CY.
Hoilman Construction Co., Inc.	\$642,504.00	\$63,830.00	\$8,031.00	\$798.00	\$200.00/CY.	\$250.00/CY.	\$175.00/CY.
J.E. Green Co.	\$575,300.00	\$53,900.00	\$7,400.00	\$431.00	\$150.00/CY.	\$204.00/CY.	\$75.00/CY.
Little & Adams, Inc.	\$639,000.00	\$61,000.00	\$6,070.00	\$580.00	\$138.00/CY.	\$190.00/CY.	\$45.00/CY.
McCarroll Construction, Inc.	\$595,000.00	\$60,100.00	\$6,500.00	\$480.00	\$140.00/CY.	\$200.00/CY.	\$40.00/CY.
Trademark of VA, Inc.	\$497,400.00	\$48,600.00	\$8,500.00	\$1,240.00	\$28.00/CY.	\$105.00/CY.	\$11.00/CY.
WKM Construction, Inc.	\$580,247.00	\$53,689.00	\$5,319.00	\$543.00	\$125.00/CY.	\$175.00/CY.	\$85.00/CY.

The submitted bids will be evaluated and a recommendation made at a later date.



## AGENDA ACTION FORM

### Consideration of a Resolution Authorizing the Issuance of a Purchase Order for the Manufacture and Installation of Classroom Furniture for John Adams Elementary School to Virco, Inc.

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager

Action Form No.: AF-126-2009  
 Work Session: May 4, 2009  
 First Reading: May 5, 2009

Final Adoption: May 5, 2009  
 Staff Work By: Committee  
 Presentation By: S. Crawford/D. Frye

**Recommendation:** Approve the resolution.

**Executive Summary:** School administration has selected furniture manufactured by Virco, Inc. as the classroom furniture for John Adams Elementary School. Virco holds a U. S. Communities contract, which is a federal general services administration contract, for this type furniture for 2009. T.C.A. section 12-3-1001(c) permits the city to make purchases directly for goods and services from holders of U. S. Communities contracts. Virco and school personnel have developed a complete listing of furniture excluding the shelving for the library and the furniture for the administrative offices. (The library furniture list is still being developed and the furniture for the administrative offices is being quoted locally.) The total cost of the classroom furniture listing is \$227,232.28. Manufacturing lead time is approximately 9 to 10 weeks. It is recommended to approve the issuance of a purchase order to Virco, Inc. in the amount of \$227,232.28 for this classroom furniture.

Funding for this furniture is included in the construction project for John Adams Elementary School.

### **Attachments:**

1. Resolution

Funding source appropriate and funds are available: \_\_\_\_\_

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—

## Hilliard, Terrie

---

**From:** Crawford, Sandy  
**nt:** Thursday, April 30, 2009 1:06 PM  
**o:** Campbell, John; Carter, Joy  
**Cc:** Hilliard, Terrie  
**Subject:** FW:

Below is the additional information you requested regarding AF-126-2009.  
Sandy

---

**From:** Page, Eddie  
**Sent:** Thursday, April 30, 2009 1:00 PM  
**To:** Crawford, Sandy  
**Subject:**

Per Your request here is the information on the number of rooms that are being furnished under the Virco quote for classroom furniture at John Adams Elementary School.

32 each - Classrooms (30 each K-5 and 2 each Pre-K)  
3 each - Special needs classrooms  
6 each - Teacher workrooms/offices  
1 each - Cafetorium  
1 each - Guidance office and classroom  
1 each - Nurse's office and clinic  
1 each - Gym office and storage area  
1 each - Custodian's office/storage  
1 each - School Nutrition office

In addition to the above there are several special purpose rooms including the mail room and storage areas for the cafetorium, library, art, and music, etc.

I think this is what you needed. Let me know if you need any additional information.

Eddie Page  
Assistant Procurement Manager  
Kingsport City Schools  
Phone: 423-239-9312  
Fax: 423-224-2433

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING THE ISSUANCE OF A PURCHASE ORDER FOR THE MANUFACTURE AND INSTALLATION OF CLASSROOM FURNITURE FOR JOHN ADAMS ELEMENTARY SCHOOL TO VIRCO, INC. AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE SAME

WHEREAS, Kingsport City Schools administration has selected furniture manufactured by Virco, Inc. as the classroom furniture for John Adams Elementary School; and

WHEREAS, Virco, Inc. holds a U.S. Communities contract, which is a federal general services administration contract, for this type furniture for 2009; and

WHEREAS, T.C.A. Section 12-3-1001(c) permits the city to make purchases directly for goods and services included in federal general services administration contracts; and

WHEREAS, Virco and school personnel have developed a complete listing of furniture excluding the shelving for the library and the furniture for the administrative offices; and

WHEREAS, the total cost of the classroom furniture listing is \$227,232.28; and

WHEREAS, it is recommended to approve the issuance of a purchase order to Virco, Inc.. in the amount of \$227,232.28, for the classroom furniture; and

WHEREAS, funding is included in the construction project for John Adams Elementary School.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That the issuance of a purchase order to Virco, Inc., in the amount of \$227,232.28, for the manufacture and installation of classroom furniture for John Adams Elementary School is approved and the City Manager is authorized to execute a purchase order for the same.

SECTION II. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 5th day of May, 2009.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

\_\_\_\_\_  
JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY, CITY ATTORNEY





## AGENDA ACTION FORM

### Consideration of a Resolution Awarding the Bid for the Installation of a VOIP Telephone System for John Adams Elementary School to Black Box Network Services and Authorizing the Mayor to Sign all Applicable Documents

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager

Action Form No.: AF-127-2009  
 Work Session: May 4, 2009  
 First Reading: May 5, 2009

Final Adoption: May 5, 2009  
 Staff Work By: Committee  
 Presentation By: S. Crawford/J. Poteat

**Recommendation:** Approve the resolution.

**Executive Summary:** Bids were opened March 19, 2009 from six bidders for telephone replacement systems for Kingsport City Schools. Phase 1 of this Request for Bid was the installation of the new telephone system required for John Adams Elementary School. After review of the bids received several bidders were requested to present the details of their bid to Kingsport City Schools Administration. The lowest cost bidder meeting all specifications is Black Box Network Services. This project includes the installation of all telephone equipment at John Adams Elementary as well as required associated equipment at the hub for the school system telephones located at Dobyns-Bennett High School. It is recommended to accept the bid from Black Box Network Services in the amount of \$88,211.41 for this project.

Funding for the system installed at John Adams Elementary School is included in the construction project for John Adams Elementary School in the amount of \$15,471. Funding for the associated equipment installed at Dobyns-Bennett High School is included in project GP0927, KCS Telephone System Upgrade in the amount of \$72,741.

**Attachments:**

1. Resolution
2. Bid Minutes

Funding source appropriate and funds are available: \_\_\_\_\_

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AWARDDING THE BID FOR INSTALLATION OF A VOIP TELEPHONE SYSTEM FOR JOHN ADAMS ELEMENTARY SCHOOL AND ASSOCIATED EQUIPMENT INSTALLED AT DOBYNS-BENNETT HIGH SCHOOL TO BLACK BOX NETWORK SERVICES AND AUTHORIZING THE MAYOR TO EXECUTE ALL APPLICABLE DOCUMENTS

WHEREAS, bids were opened March 19, 2009 for installation of a VOIP telephone system for John Adams Elementary School; and

WHEREAS, the project includes the installation of the telephone system for John Adams Elementary School as well as the required associated equipment at the hub for the school system telephones located at Dobyns-Bennett High School; and

WHEREAS, upon review of the bids, the board finds Black Box Network Systems is the lowest responsible compliant bidder in the best interest and advantage to the city, and the City of Kingsport desires to enter into a contract with Black Box Network Systems for installation of a VOIP telephone system for John Adams Elementary School and required associated equipment at the hub for the school system telephones located at Dobyns-Bennett High School, in the amount of \$88,211.41; and

WHEREAS, funding for the telephone system installed at John Adams Elementary School is included in the construction project for John Adams Elementary School, in the amount of \$15,471.00; and

WHEREAS, funding for the associated equipment installed at Dobyns-Bennett High School is included in project GP0927, KCS Telephone System Upgrade, in the amount of \$72,741.00.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That the bid for installation of a VOIP telephone system for John Adams Elementary School is awarded to Black Box Network System.

SECTION II. That the Mayor, or in his absence, incapacity, or failure to act, the Vice Mayor, is authorized to execute, in a form approved by the City Attorney and subject to the requirements of Article X, Chapter 10 of the Charter of the City of Kingsport, a contract, and all other documents necessary and proper to effectuate the purpose of the contract, with Black Box Network Systems for installation of the telephone system for John Adams Elementary School and the required associated equipment at the hub for the

school system telephones located at Dobyns-Bennett High School in the total project cost amount of \$88,211.41.

SECTION III. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 5th day of May, 2009.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

\_\_\_\_\_  
JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY, CITY ATTORNEY

MINUTES  
BID OPENING  
March 19, 2009  
4:00 P.M.

Present: Sandy Crawford, Procurement Manager; and, Eddie Page, Assistant Procurement Manager (Schools)

The Bid Opening was held in the Council Room, City Hall.

The Procurement Manager opened with the following bids:

REPLACEMENT TELEPHONE SYSTEM				
Vendor:	Phase	Cost to Furnish and Install	Recurring Costs	5 Year T. C. O.
Ghulher & Associates	1	99,796.80	9,950.00	118,825.00
	2	160,950.90	21,340.00	231,945.00
	3	241,666.32	31,665.00	319,390.00
	4	84,593.70	9,965.00	104,220.00
SPS AVAYA *These figures are the costs for years 2 through 5.	1	101,272.60	*1,870.19	108,753.36
	2	181,036.97	*19,278.97	258,152.05
	3	135,507.23	*4,175.63	152,209.75
	4	68,102.01	*1,316.17	73,366.69
Embarq Business Note: Optional Pricing Included	1	74,811.80	11,475.84	132,191.00
	2	116,770.27	6,381.72	148,434.16
	3	150,471.58	10,396.20	202,452.58
	4	42,113.00	3,027.72	57,251.60
Tele-Optics Communications **These are monthly numbers. First year free.	1	71,225.84	**289.65	85,129.00
	2	113,786.00	**482.75	136,958.00
	3	225,353.00	**965.50	271,697.00
	4	40,402.00	**193.08	49,669.84
Black Box Network Services Note: Optional Pricing Included	1	88,211.41	45,801.11	134,012.52
	2	63,950.97	22,017.45	85,968.42
	3	107,377.46	39,503.25	146,880.71
	4	39,375.69	6,051.00	45,426.69
Southeastern Communication Services ***These figures are the combined costs for years 4 and 5 only.	1	8,039.96	***1,045.19	9,085.16
	2	100,552.12	***13,071.78	113,623.90
	3	60,740.50	***7,896.27	68,636.77
	4	14,239.67	***1,851.16	16,090.83

The submitted bids will be evaluated and a recommendation made at a later date.



## AGENDA ACTION FORM

### Consideration of a Resolution to Implement an Employee Dependent Scholarship Program

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager

Action Form No.: AF-121-2009  
 Work Session: May 4, 2009  
 First Reading: May 5, 2009

Final Adoption: May 5, 2009  
 Staff Work By: L. Christian, C. McCartt  
 Presentation By: Chris McCartt

**Recommendation:** Approve the resolution.

#### **Executive Summary:**

In conjunction with the Kingsport Housing and Redevelopment Authority (KHRA), the KHRA and City of Kingsport Municipal Employee Dependent Scholarship Program will provide financial assistance to children of current KHRA and City of Kingsport general government employees, helping them to continue their education after high school. Scholarships will be awarded to graduating seniors and will be based on academic achievement and citizenship (including character, leadership and service).

The KHRA and City of Kingsport Municipal Employee Dependent Scholarship will be administered by the Greater Kingsport Alliance for Development (GKAD) and will be governed by a Board of Directors. The Board of Directors will consist of five members - three will be appointed by the Mayor of the City of Kingsport and two will be appointed by the Chair of the Kingsport Housing and Redevelopment Authority Board of Commissioners. The Board of Directors will not be employees of KHRA or the City of Kingsport and shall not be a family member of any applicant.

Funding for the scholarships will come from KHRA and City of Kingsport voluntary employee payroll deduction or direct donations to GKAD.

This information has been presented to KHRA and GKAD and both have approved it.

#### **Attachments:**

1. Resolution
2. Scholarship Guidelines and Application

Funding source appropriate and funds are available: \_\_\_\_\_

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION APPROVING IMPLEMENTATION THE  
KINGSPORT HOUSING AND REDEVELOPMENT  
AUTHORITY AND CITY OF KINGSPORT MUNICIPAL  
EMPLOYEE DEPENDENT SCHOLARSHIP PROGRAM

WHEREAS, the city, in conjunction with the Kingsport Housing and Redevelopment Authority (KHRA), desires to implement the Kingsport Housing and Redevelopment Authority and City of Kingsport Municipal Employee Dependent Scholarship Program to provide financial assistance to children of current KHRA and City of Kingsport general government employees helping them to continue their education after high school; and;

WHEREAS, the scholarships will be awarded to graduating seniors based on academic achievement and citizenship (including character, leadership, and service); and

WHEREAS, the Kingsport Housing and Redevelopment Authority and City of Kingsport Municipal Employee Dependent Scholarship will be administered by the Greater Kingsport Alliance for Development (GKAD) and will be governed by a board of directors appointed by the mayor and the chair of the Kingsport Housing and Redevelopment Authority Board of Commissioners who will not be employees of KHRA or the city or a family member of any applicant; and

WHEREAS, funding for the scholarships will be provided from KHRA and City of Kingsport voluntary employee payroll deduction or direct donations to GKAD.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That implementation of the Kingsport Housing and Redevelopment Authority and City of Kingsport Municipal Employee Dependent Scholarship Program to provide financial assistance to children of current KHRA and City of Kingsport general government employees helping them to continue their education after high school is approved as set forth herein.

SECTION II. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 5th day of May, 2009.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

\_\_\_\_\_  
JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY, CITY ATTORNEY

# **Kingsport Housing and Redevelopment Authority and City of Kingsport Municipal Employee Dependent Scholarship Program**

The Kingsport Housing and Redevelopment Authority (KHRA) and City of Kingsport Municipal Employee Dependent Scholarship Program provides financial assistance to children of current KHRA and City of Kingsport general government employees, helping them to continue their education after high school. Scholarships are awarded based on academic achievement and citizenship (including character, leadership and service).

## **Eligibility Criteria:**

Applicants for the KHRA and City of Kingsport Municipal Employee Dependent Scholarship awards must meet the following eligibility requirements:

- Applicants must be the legal dependent child of a current KHRA or City of Kingsport (full time or part time) employee. The employee must have completed their six-month probationary period (including Fire and Police personnel).
- Applicants must have graduated high school or equivalent (i.e., private school, privately tutored, G.E.D., or accredited correspondence school) within the twelve-month period prior to the application deadline of June 1. For the 2010 awards, applicants must have graduated during the time period of June 1, 2009 through May 31, 2010.
- Applicants must have an overall grade point average of 2.0 or higher based on a four-point scale as evidenced by an official high school transcript. ACT and/or SAT scores should also be included.
- Applicants shall have demonstrated a good citizenship record in school and in the community.
- Applicants must be attending, as full-time students, an accredited college or other post secondary institution by the fall term following the granting of the scholarship. Accredited colleges and other post secondary institutions include community colleges, trade and vocational schools, as well as four-year colleges and universities inside or outside the state of Tennessee.

## **Administration:**

The KHRA and City of Kingsport Municipal Employee Dependent Scholarship will be administered by the Greater Kingsport Alliance for Development (GKAD) and will be governed by a Board of Directors. The Board of Directors will consist of five members - three will be appointed by the Mayor of the City of Kingsport and two will be appointed by the Chair of the Kingsport Housing and Redevelopment Authority Board of Commissioners. The Board of Directors will not be employees of KHRA or the City of Kingsport and shall not be a family member of any applicant.

Funding for the scholarships will come from KHRA and City of Kingsport voluntary employee payroll deduction or direct donations to GKAD.

The selection of scholarship award winners is made by the Board of Directors. Deadline for returning applications and required information is a *postmark date of no later than midnight, June 1, 2010*.

The Board of Directors wishes to emphasize that applicants **MUST** accurately and completely provide all information requested on the application form. Failure to do so will be considered grounds for disqualification.

The number and amount of scholarships will be based on the number of qualified applicants and the amount of funding available. The available funds will be divided equally among all qualified applicants, not to exceed \$1,000. Disbursement of funds will be made on August 1, 2010. Scholarship checks will be sent directly to the school. The only exception will be an individual who attends an accelerated trade school program that starts and finishes prior to the disbursement of the awards. In this situation, the individual must still make application by the June 1, 2010 deadline and will be reimbursed on the August 1, 2010 disbursement date upon providing proof of payment of school fees. Reimbursement requests for trade/vocational schools will be accepted and evaluated on a case-by-case basis.

The Board of Directors reserves the right to revoke the scholarship in the event the applicant no longer meets the selection criteria. Any unused scholarship funds should be promptly returned to the Board of Directors at the end of the academic year.

**Letters of Recommendation:**

Three letters of recommendation are a requirement that must be met before the committee can evaluate your application. If all three letters are not received within the deadline requirements, your application will not receive consideration. The attached forms should be used to provide this necessary information and must either be included in your application packet or postmarked separately no later than midnight, June 1, 2010. Please notice that at least one of the letters must be completed by school personnel (faculty member, counselor, or teacher).

**Transcripts:**

Receipt of your grade transcripts is a requirement that must be met before the committee can evaluate your application. If a transcript is not received within the deadline requirements, your application will not receive consideration. Please note also that **grades for both semesters of grade 12 must be included.**

A student must make a request in writing before the school can release the grade transcripts to outside sources. Therefore, please be sure you make such a request to the proper school office, **and follow up on it** to be sure a transcript has been sent within the deadline requirements.

**Selection Criteria**

The Board of Directors shall review each application packet and shall award scholarships at its discretion based on the qualifications and needs of the applicants. The following criteria will be considered:

- Academic Achievement
- Good Moral Character
- Leadership Qualities

**Publicity:**

Upon award notification, scholarship recipients will be expected to submit a small color photo for use in publications, notices to school officials, press releases to local newspapers, and other publicity regarding the scholarship program/recipients.

**Start Early**

Return your completed application packet as soon as possible. Contact Lesley Christian by phone (423) 229-9402 or email [christian@ci.kingsport.tn.us](mailto:christian@ci.kingsport.tn.us) with any scholarship questions.

**IMPORTANT NOTE:**

**It is very important to bear in mind that all scholarship applications and supporting data must be completed and returned, postmarked no later than midnight, June 1, 2010; otherwise, they will not be considered.** Supporting data includes all letters of recommendation, official transcripts, ACT/SAT scores, and "Plans for College" Statement as required on the application. All information received will be held strictly confidential and will be kept for the Board of Director's use only and will not be returned.

No applicant will be disadvantaged in any way because of gender, religion, race, color, and/or physical impairment.

Send completed application packets to:

KHRA & City of Kingsport Employee Dependent Scholarship Program  
225 West Center Street  
Kingsport, TN 37660



Kingsport Housing and Redevelopment Authority and  
City of Kingsport Municipal Employee  
Dependent Scholarship Application

**All requested information MUST be furnished completely.**

**Failure to supply any part of the requested information voids the application from consideration.**

Applications and other required information must be postmarked no later than midnight June 1, 2010.

**I. General Information**

1. Name \_\_\_\_\_  
Last First MI
2. Address \_\_\_\_\_
3. City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_
4. Phone ( ) \_\_\_\_\_ Other Phone ( ) \_\_\_\_\_
5. Name of KHRA or City of Kingsport employee and relationship:  
\_\_\_\_\_  
\_\_\_\_\_

**II. Education and Training**

\_\_\_\_\_ High School \_\_\_\_\_ Date of Graduation \_\_\_\_\_

High School GPA \_\_\_\_\_ *Attach transcripts*

ACT Score \_\_\_\_\_ *Attach copies (if applicable)*

SAT Score \_\_\_\_\_ *Attach copies (if applicable)*

What school, college, or university do you plan to attend this coming year?  
\_\_\_\_\_

Major/Intended Field of Study \_\_\_\_\_

**III. Attach a short statement (not to exceed 200 words) describing your PLANS FOR COLLEGE and your future vocational or professional objectives.**

#### **IV. High School Activities**

1. Honors and Awards:
  
  
  
  
  
  
  
  
  
  
2. Leadership Positions in class:
  
  
  
  
  
  
  
  
  
  
3. Other School Activities:
  
  
  
  
  
  
  
  
  
  
4. Non-School Activities:  
(Include music study, church participation, hobbies, special talents, community service, etc.)

#### **V. Certification**

I hereby make application for a scholarship and submit the enclosed information to assist the KHRA and City of Kingsport Municipal Employee Dependent Scholarship Program Board of Directors in evaluating my candidacy and certify that:

1. All information in this application is true and correct.
2. I will use the funds received from the KHRA and City of Kingsport Municipal Employee Dependent Scholarship Program only for the purpose of paying expenses for my college education.
3. I will notify the Board of Directors immediately if there should be any interruption in my plans for continuing my education this coming year.
4. If selected, I will allow the Board of Directors to use my photo in publicity related to the scholarship program/awards.

Signed \_\_\_\_\_ Date \_\_\_\_\_  
Applicant

Return all correspondence to: KHRA and City of Kingsport Municipal Employee Dependent Scholarship Program, 225 West Center Street, Kingsport, TN 37660. All information received will not be returned. It will be held confidential and kept for the Board of Director's use only.

\_\_\_\_\_  
(Please print applicant's name.)

### Letter of Recommendation No. 1

To be completed by a faculty member, counselor, or teacher who has direct knowledge of student's character and personality as well as leadership potential, capacity for growth, motivation, disciplined work habits, self confidence, and initiative.

Concerning the above-named applicant, please use this form to furnish all information which may be useful to the Scholarship Board of Directors.

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Relationship to Applicant

\_\_\_\_\_  
Print Name

( ) \_\_\_\_\_  
Daytime Phone Number

**Please return to student applicant.**

\_\_\_\_\_  
(Please print applicant's name.)

## Letter of Recommendation No. 2

To be completed by a faculty member, counselor, teacher, or community member who has direct knowledge of student's character and personality as well as leadership potential, capacity for growth, motivation, disciplined work habits, self confidence, and initiative.

Concerning the above-named applicant, please use this form to furnish all information which may be useful to the Scholarship Board of Directors.

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Relationship to Applicant

\_\_\_\_\_  
Print Name

( ) \_\_\_\_\_  
Daytime Phone Number

**Please return to student applicant.**

\_\_\_\_\_  
(Please print applicant's name.)

### Letter of Recommendation No. 3

To be completed by a faculty member, counselor, teacher, or community member who has direct knowledge of student's character and personality as well as leadership potential, capacity for growth, motivation, disciplined work habits, self confidence, and initiative.

Concerning the above-named applicant, please use this form to furnish all information which may be useful to the Scholarship Board of Directors.

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Relationship to Applicant

\_\_\_\_\_  
Print Name

( ) \_\_\_\_\_  
Daytime Phone Number

**Please return to student applicant.**

Your application is not complete...



Unless you can check off each of these things are included in your packet.

- \_\_\_\_\_ Fully completed application  
Give full answers to all questions to help us evaluate your qualifications better! Do not leave any question blank. Use "N/A" if not applicable.  
**Don't forget to sign the application!!**
- \_\_\_\_\_ Transcript(s)  
Only a stamped official copy of your transcript will be accepted.
- \_\_\_\_\_ ACT and/or SAT Scores (*if applicable*)
- \_\_\_\_\_ Three letters of recommendation  
All three letters must be signed and submitted with your application to be considered.
- \_\_\_\_\_ Statement on your "Plans for College"  
Don't be shy! Give us a complete picture of your plans and goals!

Make sure all these things are included in your envelope. Properly address it and mail it back in plenty of time to get it postmarked by June 1, 2010!

GOOD LUCK!!



## AGENDA ACTION FORM

**Consideration of a Resolution to Authorize the Mayor to Execute a Contract for a Guaranteed Maximum Price with J.A. Street & Associates for the Early Construction Phase of the Meadowview Executive Conference Center.**

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager

Action Form No.: AF-130-2009  
 Work Session: May 4, 2009  
 First Reading: May 5, 2009

Final Adoption: May 5, 2009  
 Staff Work By: D. Mason  
 Presentation By: Campbell

**Recommendation:** Approve the resolution.

**Executive Summary:**

The City has selected J.A. Street & Associates as Construction Manager/General Contractor for the Meadowview Executive Conference Center Expansion and entered an Agreement with J.A. Street & Associates for Pre-Construction services related to the project.

In accordance with the Master Contract, J.A. Street & Associates has solicited subcontractor bids and submitted a Guaranteed Maximum Price proposal for the Early Construction Phase of the Meadowview Executive Conference Center. The Early Construction Phase consists of; Site Work, Foundations, Structural Steel, and Elevators.

The attached resolution authorizes the Mayor to execute a Guaranteed Maximum Price contract that encompasses the Early Construction Phase of the project. The guaranteed maximum price for the total project has not yet been established.

Once the guaranteed maximum price for the project in its entirety is established, a Change Order to this contract will be brought to the Board for approval.

**Attachments:**

1. Resolution
2. Agreement for a Guaranteed Maximum Price

Funding for this project has been identified under Project No. MV0901-Meadowview Conf. Center

Funding source appropriate and funds are available: \_\_\_\_\_

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT FOR A GUARANTEED MAXIMUM PRICE WITH J.A. STREET & ASSOCIATES FOR THE EARLY CONSTRUCTION PHASE OF THE MEADOWVIEW EXECUTIVE CONFERENCE CENTER.

WHEREAS, the City awarded a contract to J.A. Street & Associates on a guaranteed maximum price basis for the construction of the Meadowview Executive Conference Center, subject to final approval of the Board of Mayor and Aldermen; and

WHEREAS, a contract must be executed to begin the early construction phase of the project;

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN as follows:

SECTION I. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized to execute, in a form approved by the city attorney and subject to the requirements of Article X, Chapter 10 of the Charter of the City of Kingsport, a Guaranteed Maximum Price contract with J.A. Street & Associates for the Early Construction Phase of the Higher Education Center.

SECTION II. That this resolution shall take effect immediately upon its adoption, the public welfare requiring it.

ADOPTED this the 5th day of May, 2009.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

\_\_\_\_\_  
JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY, CITY ATTORNEY



**CONSTRUCTION SERVICES AGREEMENT**

**BETWEEN OWNER and  
CONSTRUCTION MANAGER/GENERAL CONTRACTOR (CM/GC)**

**WHERE THE BASIS IS A  
GUARANTEED MAXIMUM PRICE**

---

**AGREEMENT**

Made as of the \_\_\_\_\_ Day of \_\_\_\_\_ in the year of \_\_\_\_\_.

**BETWEEN THE OWNER:**

The City of Kingsport  
225 West Center Street  
Kingsport, Tennessee 37660

**AND THE CONSTRUCTION MANAGER/GENERAL CONTRACTOR, HEREIN AFTER "CM/GC":**

J.A. Street & Associates, Inc  
P.O. Box 725  
Blountville, TN 37617

**THE PROJECT:**

MeadowView Executive Conference Center Addition (MECC)  
Kingsport, Tennessee

**THE DESIGNER:**

Chapman Griffin Lanier Sussenbach Architects, Inc.  
2500 Cumberland Parkway Suite 350  
Atlanta, Georgia 30339

**THE OWNER AND THE CM/GC AGREE AS SET FORTH BELOW.****ARTICLE 1, THE WORK AND THE CONTRACT DOCUMENTS**

- 1.1 The CM/GC shall perform all the Work required by the Contract Documents for the Project.
- 1.2 The Contract Documents include the Master Contract and the individual contract elements of the Contract Documents identified below in Paragraph 1.4. These form the Contract and together constitute the entire agreement between the Owner and the CM/GC, and are as fully a part of the Contract as if attached to this Agreement or repeated herein. An enumeration of the Contract Documents appears in Paragraph 1.4.
- 1.3 Terms used in this Agreement which are defined in the Conditions of the Contract shall have the meanings designated in those Conditions.
- 1.4 The Contract Documents, except for Modifications issued after execution of this Agreement, are enumerated as follows:

1. The Master Contract for the Project between the Owner and CM/GC dated January 22, 2009.
2. This Agreement.
3. The Project Manual for the Project which includes, but is not limited to, the Conditions of the Contract (the General Conditions, the Supplementary, and other Conditions), the Building Prevailing Wage Rates, and the Specifications.
4. The Construction Drawings for the Project dated March 20, 2009.
5. The portions of the following Addenda as apply to the above documents:
  - Addendum No. 1 dated April 3, 2009.
  - Addendum No. 2 dated April 13, 2009.

## ARTICLE 2, TIME OF COMMENCEMENT AND SUBSTANTIAL COMPLETION

- 2.1 The Work to be performed under this Contract shall be commenced on the date stipulated in the Owner's Notice to Proceed issued to the CM/GC; and, subject to authorized adjustments, Substantial Completion shall be achieved for the work and each Phase thereof in accordance with the number of calendar days Contract Time allotted each, from and including the Commencement of each, wholly and severally for the Work of each Phase.

*It is understood and agreed that the full scope of work shall be sufficiently complete to allow the Owner full and free use of the entire facility and surrounding areas, beginning on May 10, 2010.*

- 2.2 Liquidated Damages, as set forth in the General and Supplementary Conditions, are

*Liquidated Damages in the amount of \$1,000.00 / calendar day shall be paid by the CM/GC for failure to achieve substantial completion on the date established from the description listed above.*

## ARTICLE 3, CONTRACT SUM

- 3.1 The Owner shall pay the CM/GC in current funds for the performance of the Work an amount not to exceed the Guaranteed Maximum Price, also referred to as the "Contract Sum", of,

*[Amount to be determined by May 1, 2009] (\$TBD)*

subject to additions and deductions by Modifications as provided in the Contract Documents.

- 3.2 The Guaranteed Maximum Price (GMP) is determined as follows:

### Site Work Package

Site Work	\$
Water Utilities	\$
Sanitary Sewer	\$
Storm Drainage	\$
Paving	\$
Retaining Walls	\$
Pile Wall	\$
Landscaping	\$
Concrete	\$

### Structural Steel Package

<b>Structural Steel</b>	<b>\$</b>
<b>Bar Joists</b>	<b>\$</b>
<b>Steel Stairs</b>	<b>\$</b>
<b>Monumental Stairs</b>	<b>\$</b>
<b>Misc. Metals</b>	<b>\$</b>
<b>Steel Decking</b>	<b>\$</b>
<b>Elevator Package</b>	
<b>Elevators</b>	<b>\$</b>
<b>Guaranteed Maximum Price</b>	<b>\$</b>

3.3 Unit Prices will be used as specified. N/A

#### **ARTICLE 4, SCOPE OF CONSTRUCTION PHASE SERVICES**

##### **4.1 Subcontracts**

1. The CSA-GMP is set forth for the express purpose of packaging construction work into a number of bid packages to encourage competitive bidding among subcontractors and for early release of work packages when advantageous to the Owner's interests. Work will be released in separate bid packages. One or more of the bid packages may be released for construction prior to issuance of the complete set of Construction Documents if the Owner, the Designer, and the CM/GC agree that the project is generally tracking on or under budget.
3. The CM/GC shall prepare subcontractor bid packages required for completing Project Construction in accordance with the terms of the CSA-GMP and with the Project Construction Schedule.

##### **4.2 Subcontract Bidding**

1. The CM/GC shall publicly and competitively conduct bidding for the prepared subcontractor bid packages for all construction work, utilizing methods that thoroughly communicate the subcontractor requirements and the bidding and award process, and on a schedule that allows for award and subcontractor work in accordance with the Project Construction Schedule. The CM/GC shall perform this work in accordance with the following process and in accordance with the details of the Contract Documents and with the City of Kingsport policies and procedures for bidding of Public Contracts.
  - a. The CM/GC shall publicly advertise and make contacts to attract potential subcontractors and material suppliers and to encourage their interest in bidding on the work.
  - b. Contacts shall include steps to encourage minority-owned business participation in bidding on the work.
  - c. The CM/GC shall attempt to obtain a minimum of three qualified bids for each package of work.
  - d. All bids are required to be sealed, written, and submitted to a specific location at a specific time.
  - e. The CM/GC shall conduct pre-bid meetings and award meetings for all subcontracts bid packages. The CM/GC shall notify the Owner and Designer of the time and place of each such meeting.
  - f. The CM/GC shall publicly open the bids and then tabulate the bids received on each package.
  - g. The CM/GC shall determine the apparent low bidder for each package. Upon this determination, the CM/GC shall have the right to review all bid documentation from the apparent low bid subcontractor to verify the scope of the bid and the qualifications of the subcontractor to enable determination of the lowest verified bid from a qualified bidder.

- h. If the CM/GC's review shows that the low bidder fully accounted for all costs associated with the scope of the work on which it was bidding, and the low bidder fully and strictly satisfies all Subcontractor Qualification Requirements established pursuant to Article F.8, then the CM/GC shall award a contract for the bid package to the low bidder as a subcontractor to the CM/GC under the terms of an executed CSA-GMP.
  - i. If, however, the CM/GC's review shows that the low bidder failed to account for all costs associated with the scope of the work on which it was bidding or the low bidder is not in full and strict compliance with all established Subcontractor Qualification Requirements, then the bid may be disqualified with the approval of the Owner, which shall not be unreasonably withheld, and the CM/GC shall proceed to the next lowest bidder for review.
  - j. The CM/GC may repeat the bidding for a subcontractor bid package only if (1) the initial bidding produces no responsible, responsive bid for that portion of the work, or (2) no responsible, responsive bidder for that portion of the work will execute the subcontract form included in the bid package without material alterations, and (3) the Owner approves of such a re-bid, which approval shall not be unreasonably withheld.
  - k. If there are no bids or no acceptable bids, the CM/GC shall propose options for performance to the Designer and Owner which may include self-performance within the limits of the executed CSA-GMP and within the current budget for the bid package.
2. All contract documents between the CM/GC and CM/GC subcontractors shall be made available for review by the Designer and the Owner.
3. The CM/GC shall not add or allocate any contingency for any subcontract. The CM/GC Contingency as defined in Article A of the Master Contract is the only construction contingency provision for the CM/GC.

#### 4.3 Self-Performance

Self performed work by the CM/GC will be limited to not more than three percent of the GMP unless specific written approval is given by the Owner to exceed three percent.

This Agreement entered into as of the day and year first written above as witnessed:

**BY OWNER:**

**BY CONSTRUCTION MANAGER/  
GENERAL CONTRACTOR:**

**CITY OF KINGSPORT, TENNESSEE**

**J.A. STREET & ASSOCIATES, INC.**

By: \_\_\_\_\_  
Dennis R. Phillips  
Mayor

By: \_\_\_\_\_  
J.A. Street  
President

**APPROVED AS TO FORM:**

\_\_\_\_\_  
City Attorney

**ATTESTED:**

\_\_\_\_\_  
City Recorder

**END OF AGREEMENT**



## AGENDA ACTION FORM

### Consideration of a Resolution Awarding the Bid for the Purchase of One (1) Cab/Chassis Spray Injected Road Repair Machine to Premier Equipment, LLC

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager

Action Form No.: AF-124-2009  
 Work Session: May 4, 2009  
 First Reading: N/A

Final Adoption: May 5, 2009  
 Staff Work By: Committee  
 Presentation By: R. McReynolds

**Recommendation:** Approve the resolution.

**Executive Summary:** Bids were opened on April 23, 2009 for the purchase of one (1) cab/chassis spray injected road repair machine for use by Public Works Street Maintenance. It is the recommendation of the Committee to accept the apparent low bid from Premier Equipment, LLC for a 2008 Mitsubishi Fuso FM330 with Schwarze Road Patcher RP006 in the amount of \$165,673.00.

The apparent low bid received from Premier Equipment, LLC is the lowest, responsible, compliant bid meeting specifications for the particular grade or class of material, work or service desired in the best interest and advantage to the City.

Funding is identified in Project #NC0901 Account #111-0000-601-9004.

**Attachments:**

1. Resolution
2. Bid Opening Minutes
3. Recommendation Memo
4. Additional Information

Funding source appropriate and funds are available: \_\_\_\_\_

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AWARDDING THE BID FOR PURCHASE OF A  
CAB/CHASSIS SPRAY INJECTED ROAD REPAIR MACHINE TO  
PREMIER EQUIPMENT, LLC

WHEREAS, bids were opened April 23, 2009 for the purchase of a cab/chassis spray injected road repair machine for use by Public Works Street Maintenance; and

WHEREAS, upon review of the bids, the board finds Premier Equipment, LLC is the lowest responsible compliant bidder in the best interest and advantage to the city, and the City of Kingsport desires to purchase the cab/chassis spray injected road repair machine – a 2008 Mitsubishi Fuso FM330 with Schwarze Road Patcher RP006 from Premier Equipment, Inc. at a cost of \$165,673.00; and

WHEREAS, funding is identified in Project Number NC0901, Account Number 111-0000-601-9004.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That the bid for purchase of a cab/chassis cab/chassis spray injected road repair machine – a 2008 Mitsubishi Fuso FM330 with Schwarze Road Patcher RP006, in the amount of \$165,673.00, is awarded to Premier Equipment, Inc. and the City Manager is authorized to execute a purchase order for same.

SECTION II. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 5th day of May, 2009.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

\_\_\_\_\_  
JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY, CITY ATTORNEY

MINUTES  
BID OPENING  
April 23, 2009  
4:00 P.M.

Present: Sandy Crawford, Procurement Manager; and Brent Morelock, Assistant Procurement Manager

The Bid Opening was held in the Council Room, City Hall.

The Procurement Manager opened with the following bids:

SPRAY INJECTED ROAD REPAIR MACHINE			
Vendor:	Unit Cost:	Delivery Time:	Model/Type:
Smoky Mountain Truck Center, LLC	No Bid	N/A	N/A
Lodal-South, Inc.	No Bid	N/A	N/A
CMI Equipment Sales, Inc.	\$166,106.00	120-150 Days	2009 GMC Isuzu T8500 W/Dura Patch Dura Maxx Patcher
Worldwide Equipment	\$172,506.00	240 Days	2010 GMC TT8F042 Tilt Cab W/Dura Patch Dura Maxx Road Patcher. For Hopper Tarp Add: \$2,394.00
Worldwide Equipment	\$171,262.00	240 Days	2010 GMC TT8F042 Tilt Cab W/Schwarze RP006 Road Patcher
Premier Equipment, LLC	\$165,673.00	60 Days	2008 Mitsubishi Fuso FM330 W/Schwarze Road Patcher RP006
Premier Equipment, LLC	\$171,068.00	120 Days	2010 Mitsubishi Fuso FM330 W/Schwarze Road Patcher RP006

The submitted bids will be evaluated and a recommendation made at a later date.



## FLEET MAINTENANCE DIVISION

City of Kingsport, Tennessee

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### Memo

**To:** Brent Morelock, Assistant Procurement Manager  
**From:** Steve Hightower, Fleet Manager  
**Date:** April 27, 2009  
**Re:** Spray Injected Road Repair Machine Purchase Recommendation

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This will confirm my review and recommendation to purchase the low compliant bids of the following vendor. I have met with Greg Willis and he is in agreement with this recommendation. Trade in unit was not offered because this unit will be an addition to the Public Works Street Maintenance Operation.

<u>Item</u>	<u>Quantity</u>	<u>Description</u>	<u>Award to Vendor</u>	<u>Fuel Economy</u>
1	1	Spray Injected Road Repair Unit	Premier Equipment LLC	8 City/ 12 Hwy
Low Compliant Bidder				

No fuel economy improvements are noted since this is an additional unit.

Should you have any questions on this recommendation, please do not hesitate to contact me.

Thank you.



## Schwarze Road Patcher RP006



The Schwarze Road Patcher RP 006 is a semi-automated spray-injected pothole patching machine. This machine will allow in most cases for potholes to be repaired using a one-man crew. Occasionally traffic control flagmen will be needed in some circumstances. Potholes can also be repaired in inclement weather using this machine. The process involves asphalt emulsion and rock chips being injected into the pothole using high velocity air pressure. The air can also be used to clean and dry the existing pothole which allows for repair under adverse conditions and also helps to ensure a permanent repair. Based on a study by the Strategic Highway Research Program potholes repaired using this method have a failure rate below that of any other pothole patching process.



## AGENDA ACTION FORM

### Consideration of a Resolution Authorizing the Mayor to Execute a Release

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager

Action Form No.: AF-129-2009  
 Work Session: May 4, 2009  
 First Reading: May 5, 2009

Final Adoption: May 5, 2009  
 Staff Work By: Billingsley  
 Presentation By: Billingsley

**Recommendation:** Approve the resolution.

### **Executive Summary:**

The city had an employee, while on the job, injured in an automobile accident in 2006. The driver of the other automobile, Mr. Wayne, and the employee have agreed to settle the personal injury claim of the employee. The city is entitled to the medical expenses it has paid for the employee's medical treatment through worker's compensation in the amount of \$9,124.57. This is the full amount the city is entitled to recover. The attached copy of the check covers that amount. The parties have asked the city to execute a release releasing Mr. Wayne from liability upon payment in full of the \$9,124.57. The attached resolution will authorize the mayor to execute the release on behalf of the city.

The property damage caused by the accident to the city's vehicle has previously been paid to the city by Mr. Wayne's insurance company. The amount of \$5,596.39 was paid to the city in October, 2006.

### **Attachments:**

1. Resolution
2. Copy of check
3. Copy of release

Funding source appropriate and funds are available: \_\_\_\_\_

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A RELEASE DISCHARGING DAVID K. WAYE AND STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY FROM ANY AND ALL LIABILITY FOR MEDICAL EXPENSES PAID THROUGH WORKERS' COMPENSATION ARISING FROM AN AUTOMOBILE ACCIDENT ON AUGUST 31, 2006

WHEREAS, the city had an employee injured while on the job in an automobile accident in 2006; and

WHEREAS, the driver of the other automobile, David K. Waye and the employee have agreed to settle the personal injury claim; and

WHEREAS, the city is entitled to recover the medical expenses it has paid for the employee's medical treatment through workers' compensation in the amount of \$9,124.57; and

WHEREAS, the parties have asked the city to execute a release releasing Mr. Waye and his automobile insurer State Farm Automobile Insurance Company from liability upon payment in full of \$9,124.57.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That the Mayor, or in his absence, incapacity, or failure to act, the Vice Mayor, is authorized to execute, in a form approved by the City Attorney, a Release, in consideration of the receipt of \$9,124.57, discharging David K. Waye and State Farm Automobile Insurance Company from any and all liability for workers' compensation benefits paid arising from an automobile accident which injured a city employee on August 31, 2006,

SECTION II. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 5th day of May, 2009.

\_\_\_\_\_  
DENNIS PHILLIPS, MAYOR

ATTEST:

\_\_\_\_\_  
JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY, CITY ATTORNEY



MURFREESBORO, TENNESSEE

U.S. BANK  
EAST GRAND FORKS, MINNESOTA

75-1592/912

CLAIM  
NUMBER

42-1987-899

DATE  
OF LOSS

8-31-06

NAME OF  
INSURED

David Wayne

ISSUED  
DATE

111 724 810 Q  
4-14-09

PAY  
ORDER OF

The City of Kingsport on behalf of  
John Martin

nine thousand one hundred twenty four & 57/100 ——— DOLLARS \$ 9,124.57

☒ STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY

☐ STATE FARM INDEMNITY COMPANY

☐ STATE FARM COUNTY MUTUAL INSURANCE COMPANY OF TEXAS

☐ STATE FARM GUARANTY INSURANCE COMPANY

☐ STATE FARM GENERAL INSURANCE COMPANY

AUTH ID

**RELEASE**

For the sole consideration of Nine Thousand One Hundred Twenty-four Dollars and 57/100 (\$9,124.57), the receipt of which is hereby acknowledged, The City of Kingsport, does hereby release and forever discharge David K. Waye, and his automobile insurer State Farm Mutual Automobile Insurance Company, from any and all liability for workers' compensation benefits paid, or to be paid to John W. Martin on account of, or resulting from, an automobile accident occurring between David K. Waye, and John W. Martin on August 31, 2006, in Sullivan County, Kingsport, Tennessee.

This release contains the ENTIRE AGREEMENT between the parties hereto, and the terms of this release are contractual and not a mere recital.

WITNESS my own free hand and seal this the \_\_\_\_ day of April 2009.

**IN PRESENCE OF**

**CITY OF KINGSFORT**

Witness \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF TENNESSEE

COUNTY OF SULLIVAN

SUBSCRIBED AND SWORN to before me, this \_\_\_\_ day of April, 2009.

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires On:

\_\_\_\_\_



## AGENDA ACTION FORM

### Consideration of a Resolution to Authorize the Mayor to Sign all Documents Necessary to Apply and Receive an Appalachian Regional Commission Grant for Phase 1 of the Kingsport Riverwalk Project

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager

Action Form No.: AF-131-2008  
 Work Session May 4, 2009  
 First Reading: May 5, 2009

Final Adoption: May 5, 2009  
 Staff Work By: Morris Baker/ Chris McCart  
 Presentation By: Chris McCart

**Recommendation:** Approve the resolution.

#### **Executive Summary:**

Appalachian Regional Commission (ARC) provides assistance to municipalities for four strategic areas

1. Increase job opportunities and per capita income in Appalachia to reach parity with the rest of the nation.
2. Strengthen the capacity of the people of Appalachia to compete in the global economy.
3. Develop and improve Appalachia's infrastructure to make the region economically competitive.
4. Build the Appalachian Development Highway System to reduce Appalachia's isolation.

This project will focus on phase 1 of the Kingsport Riverwalk Project which will focus on priority #3 - *Develop and improve Appalachia's infrastructure to make the region economically competitive*. The City of Kingsport was recommended for funding by the Governor of the State of Tennessee in the amount of \$250,000. The next step is invitation from ARC to submit a full proposal in consideration of funding. The total project is \$500,000 with \$250,000 being in match from GP0913 - Kingsport Riverwalk Project.

#### **Attachments:**

1. Resolution
2. Letter from TECD recommending funding

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY AND PROPER TO APPLY FOR AND RECEIVE APPALACHIAN REGIONAL COMMISSION GRANT FUNDS FOR PHASE I OF THE KINGSFORT RIVERWALK PROJECT

WHEREAS, the city desires to apply for and receive a Appalachian Regional Commission Grant for Phase I of the Kingsport Riverwalk Project; and

WHEREAS, Governor Bredesen is recommending the project for grant funding in the amount of \$250,000 with matching funds required in the amount of \$250,000, for a total project cost of \$500,000.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That the Mayor, or in his absence, incapacity, or failure to act, the Vice Mayor, is authorized to execute, in a form approved by the City Attorney and subject to the requirements of Article X, Chapter 10 of the Charter of the City of Kingsport, all documents necessary and proper to apply for and receive grant funding for Phase I of the Kingsport Riverwalk Project from the Appalachian Regional Commission, in an amount up to \$250,000 with matching funds in the amount of \$250,000 required for a total project cost of \$500,000.

SECTION II. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 5th day of May, 2009.

\_\_\_\_\_  
DENNIS R. PHILLIPS, MAYOR

ATTEST:

\_\_\_\_\_  
JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY, CITY ATTORNEY





State of Tennessee  
Department of Economic and Community Development

Division of Community Development  
Wm. R. Snodgrass TN Tower, 10th Floor  
312 Rosa L. Parks Avenue  
Nashville, Tennessee 37243-1102  
615-741-2373/Fax: 615-741-0607

**Rick Meredith**  
Assistant Commissioner

April 7, 2009

The Honorable Dennis R. Phillips  
Mayor  
225 West Center Street  
Kingsport, Tennessee 37660-4237

Re: 2009 ARC Kingsport Riverwalk Plaza

Dear Mayor Phillips:

Governor Bradesen is recommending the above referenced project for funding in the amount of \$250,000 to the Appalachian Regional Commission. The application forms have been sent to your pre-application preparer.

Please submit the application to our office by June 1, 2009 to the attention of Paula Lovett. All local funds/match should be in place by August 31, 2009.

No construction contracts are to be signed until you have written approval on the project. If you need to proceed before approval is given, you must request a waiver.

If you have any questions, please contact Paula Lovett at (615) 253-1895.

Sincerely,

Rick Meredith  
Alternate Member  
Appalachian Regional Commission  
State of Tennessee

RM:plf

cc: Gray Stothart



## AGENDA ACTION FORM

### Consideration of a Resolution Authorizing the Mayor to Execute an Amendment to the MeadowView Management Agreement

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager

Action Form No.: AF-133-2009  
 Work Session: May 4, 2009  
 First Reading: May 5, 2009

Final Adoption: May 5, 2009  
 Staff Work By: Campbell/Billingsley  
 Presentation By: Billingsley

**Recommendation:** Approve the resolution.

### **Executive Summary:**

As part of the expansion of the MeadowView Conference and Convention Center an amendment to the management agreement the city has with Marriott for the operation of the conference and convention center is needed. The amendment, a copy of which is attached, amends the current agreement by including the addition to the current facility in the scope of the current management agreement, when it is completed.

### **Attachments:**

1. Resolution
2. Copy of Second Amendment to Management Agreement

Funding source appropriate and funds are available: \_\_\_\_\_

	<u>Y</u>	<u>N</u>	<u>O</u>
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A  
SECOND AMENDMENT TO MANAGEMENT AGREEMENT  
BETWEEN THE CITY AND MARRIOTT HOTEL SERVICES, INC.

WHEREAS, as part of the the expansion of the MeadowView Conference and Convention Center it is necessary to amend the Management Agreement between the city and Marriott Hotel Services, Inc.; and

WHEREAS, the amendment will include the expanded facility within the scope of the Management Agreement when completed.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That the Mayor, or in his absence, incapacity, or failure to act, the Vice Mayor, is authorized to execute, in a form approved by the City Attorney, a Second Amendment To Management Agreement between the city and Marriott Hotel Services, Inc. to include the expanded facility within the scope of the current Management Agreement when completed.

SECTION II. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 5th day of May, 2009.

\_\_\_\_\_  
DENNIS PHILLIPS, MAYOR

ATTEST:

\_\_\_\_\_  
JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

\_\_\_\_\_  
J. MICHAEL BILLINGSLEY, CITY ATTORNEY

**MEADOWVIEW CONFERENCE AND CONVENTION CENTER  
KINGSPORT, TENNESSEE**

**SECOND AMENDMENT TO MANAGEMENT AGREEMENT**

**THIS SECOND AMENDMENT TO MANAGEMENT AGREEMENT** (this "Amendment") is entered into as of April \_\_, 2009, by and between the City of Kingsport, a municipal corporation existing under the laws of the State of Tennessee ("City"), Marriott Hotel Services, Inc., a Delaware corporation ("Management Company"), and Kingsport Hotel, L.L.C., a Tennessee limited liability company ("Hotel Owner").

**WITNESSETH**

WHEREAS, City, Management Company and Hotel Owner are parties to that certain Management Agreement dated as of January 1, 1995, as amended by that certain First Amendment to Management Agreement dated as of August 6, 2002 (as amended, the "Management Agreement") pursuant to which Management Company manages and operates the conference and convention center portion of the Meadowview Conference Resort and Convention Center;

WHEREAS, City intends to expand the MC3 (as defined in the Management Agreement) in accordance with and as described in that certain Technical Services Agreement, dated as of April \_\_, 2009, between City, Management Company and Hotel Owner (the "Technical Services Agreement");

WHEREAS, City, Management Company and Hotel Owner desire to amend the Management Agreement on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, City, Management Company and Hotel Owner hereby agree as follows:

1. Expansion of MC3. The parties acknowledge that City is undertaking, at its sole cost and expense, an expansion of the MC3 by constructing an executive conference center (currently anticipated to include an approximately 5,000 square foot ballroom, an approximately 1,160 square foot board room, two smaller board rooms of approximately 630 square feet each, a three-level parking deck to include 137 spaces, a small amphitheatre with seating for 57, a large amphitheatre with seating for 136 and related spaces and facilities) adjacent to the existing MC3 building, as further described and defined in the Technical Services Agreement (the "MC3 Expansion").

2. Definition of "MC3". The parties agree and acknowledge that upon the Completion Date (as such term is defined in the Technical Services Agreement), subject to Management Company's termination rights as set forth in the Technical Services Agreement, the

term "MC3" as used in the Management Agreement shall include the MC3 Expansion for all purposes of the Management Agreement.

3. Parking. The following provision is hereby added to the Management Agreement as new Section 20.14:

"20.14 Parking

The City shall cause to be available for the MC3 parking spaces and other parking facilities sufficient for the operation of the MC3."

4. Miscellaneous. Capitalized terms used in this Amendment and not otherwise defined herein have the meanings ascribed to them in the Management Agreement. This Amendment shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. Except as specifically modified pursuant to this Amendment, all of the provisions of the Management Agreement remain unchanged and continue in full force and effect. In the event of any inconsistency between the Management Agreement and this Amendment, this Amendment shall control. This Amendment may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which together shall constitute one and the same instrument.

*[Signatures appear on following page]*

IN WITNESS WHEREOF, Management Company, City and Hotel Owner, acting by and through their proper and duly authorized directors, partners, officers or other representatives, have each duly executed this Second Amendment to Management Agreement as of the day and year first written above.

**CITY:**

CITY OF KINGSPORT,  
a Tennessee municipal corporation

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**MANAGEMENT COMPANY:**

MARRIOTT HOTEL SERVICES, INC.,  
a Delaware corporation

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**HOTEL OWNER:**

KINGSPORT HOTEL, L.L.C.,  
a Tennessee limited liability company

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_



## AGENDA ACTION FORM

### Consideration of Appointments to the Stormwater Appeals Board

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager

Agenda Form No.: AF-106-2009

Work Session: May 4, 2009

First Reading: May 5, 2009

Final Adoption: May 5, 2009

Staff Work: Dan Wankel

Presentation: Ryan McReynolds

### Recommendation:

Approve the appointments for the Stormwater Appeals Board.

### Executive Summary:

The following have agreed, if approved by the Board of Mayor and Aldermen, to serve on the Stormwater Appeals Board.

<u>Name</u>	<u>Association</u>	<u>Term</u>
Dennis Ward	Planning Commission	Indefinite
Jantry Shupe	Board of Mayor and Aldermen	Indefinite
Alan Webb	Planning Director	Indefinite
Mike Freeman	Building Official	Indefinite

### Attachments:

1. Bios
2. Supplemental Information

	<u>Y</u>	<u>N</u>	<u>O</u>
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—

## **Stormwater Appeals Board Nominee Biographies**

### **Alan Webb**

Mr. Webb began his career with the City of Kingsport's Planning Department in July, 1983 as an intern while attending graduate school at East Tennessee State University and was subsequently hired as a Planner in February, 1984. The Planning Department provides staff support for the Kingsport Planning Commission, the Historic Zoning Commission and the Gateway Review Commission. Mr. Webb currently serves as the Planning Manager, responsible for implementing the City's general development plans through the planning process. This includes review and recommendations of annexations, rezoning requests, site plan approval and subdivision development. Negotiation with developers for conformance to best development practices is an integral component of the planning process.

### **Dennis Ward**

Mr. Ward has been with the engineering consulting firm of Barge, Waggoner, Sumner & Cannon, Inc. since 1985, currently serving as the Vice President and Manager of the Kingsport office. He earned his B.S. in Civil Engineering from the University of Tennessee and later obtained an M.A. in City Management from East Tennessee State University. He is a registered Professional Engineer in the State of Tennessee. He held several positions with the City of Kingsport from 1971-1985 including City Engineer, Public Works Director, Utilities Director and Assistant City Manager. Mr. Ward is a member of the American Society of Civil Engineers, the National Society of Professional Engineers and is Vice-chair of the Kingsport Regional Planning Commission.

### **Mike Freeman**

Mr. Freeman began his career with the City of Kingsport in March, 1979 as a Building Department Inspector. In February, 1998, he was promoted to Building Official, a position he continues to hold. Under his guidance, the Building Department enforces the Zoning Ordinance and all building codes, including plumbing, electrical and mechanical.

### **Jantry Shupe**

A native of Kingsport, Alderman Shupe is a graduate of Dobyns-Bennett High School. He graduated from John A. Gupton College of Mortuary Science in 1996 and Tusculum College in 2000 and manages Oak Hill Funerals and Cremations. He currently serves on Kingsport's Board of Mayor and Aldermen, the President's Advisory Council for Tusculum College, the MSHA Sullivan County Government Relations Council, the Symphony of the Mountains Board of Directors and the Human Development Policy and Advocacy Committee for the National League of Cities.





saturated soil conditions. Wetland determination shall be made by the United States Army Corps of Engineers, and/or the Tennessee Department of Environment and Conservation, and/or the Natural Resources Conservation Service.

## **DIVISION 2 - ADMINISTRATION**

### **Sec. 42-78. Duties and Authority of Director.**

- (a) The director has the authority to adopt additional policies, criteria, specifications, standards, rules, regulations, and guidance for the proper implementation of the requirements of this article and the stormwater management manual. The manual shall be enforceable, consistent with other provisions of this article, as if it were a part of this article.
- (b) The director shall have the authority to prepare, or have prepared, master plans for drainage basins and to establish regulations or direct capital improvements to carry out said master plans.
- (c) In the event that the director determines that a violation of any provision of this article has occurred, or that work does not have a required plan or permit, or that work does not comply with an approved plan or permit, the director may issue enforcement responses as defined in Division 11 to the owner subject to the right of appeal set out in Section 42-110.
- (d) The director and the staff under the director's supervision shall administer the provisions of this article.

### **Sec 42-79. Stormwater Appeals Board.**

- (a) There is created and established, pursuant to T.C.A. Section 68-221-1106 et seq., the Stormwater Appeals Board, referred to in this article as "appeals board", which shall be composed of four members as follows:
  - (1) A member of the Board of Mayor and Alderman, who shall serve as chairman, but shall have no vote unless there is a tie among voting members;
  - (2) A member of the Planning Commission;
  - (3) The planning director; and
  - (4) The building official.
- (b) All appeals board members shall serve without pay or other compensation.
- (c) The appeals board shall promulgate such procedural rules as may be deemed necessary in the interest of justice, fairness and impartiality.
- (d) All members of the appeals board, except the planning director and



building official shall be appointed by the Mayor, subject to confirmation by the BMA.

**Sec. 42-80. Duties and Authority of the Appeals Board.**

The appeals board shall have the power, duty and responsibility to:

- (a) Hear appeals from orders issued by the director assessing penalties, damages or revoking or modifying permits;
- (b) Affirm, modify or revoke such actions or orders of the director;
- (c) Issue notices of appeals and subpoenas requiring attendance of witnesses and the production of evidence;
- (d) Administer oaths and examine witnesses;
- (e) Take such testimony as the appeals board deems necessary; and
- (f) Hear appeals of owners for the purpose of reviewing the denial of a permit or imposition of terms or conditions in permits or any exceptions granted by the director.

**DIVISION 3 – STORMWATER MANAGEMENT**

**Sec. 42-81. General Requirements.**

- (a) Owners of land development activities not exempted under Section 42-83 must submit a stormwater management plan. The plan shall be submitted as part of the preliminary development plan, as required by Ordinance No. 2555, as amended, of the City of Kingsport.
- (b) The plan shall include the specific required elements that are listed and/or described in the stormwater management manual. The director may require submittal of additional information in the plan as necessary to allow an adequate review of the existing or proposed site conditions.
- (c) The plan shall be subject to any additional requirements set forth in the minimum subdivision regulations, design standards, zoning ordinance or other city regulations.
- (d) Stormwater management plans shall be prepared and stamped by a design professional. Portions of the plan that require hydraulic or hydrologic calculations and design shall be prepared and stamped by a professional engineer competent in civil and site design and licensed to practice in the State of Tennessee.
- (e) The approved plan shall be adhered to during grading and construction activities. Under no circumstances is the owner or operator of land



## AGENDA ACTION FORM

### Consideration of an Ordinance to Amend General Project Fund Budget.

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager

Agenda Form No.: AF-108-2009  
 Work Session: April 20, 2009  
 First Reading/ (Business Matters Held):  
 April 21, 2009

Final Adoption: May 5, 2009  
 Staff Work: David Frye  
 Presentation: David Frye

### Recommendation:

Approve an Ordinance amending the General Project Fund Budget.

### Executive Summary:

On April 16, 2009, the Board of Education approved Budget Amendment Number Six. This amendment transfers estimated revenues and appropriations from the Unallocated FY 2008 Hawkins County Bond Funds project to the Sevier Band Room/Storage Expansion project, in the amount of \$36,250. This will establish project funding in the amount of \$586,250. This is made up of the base bid of \$505,900, contingency (6%) in the amount of \$30,350, and architect fees, reimbursable expenses and other expenses in the amount of \$50,000. The Board of Mayor and Aldermen will be asked to consider the approval of the bid at its' May 5, 2009, meeting.

This amendment also amends the General Project Fund budget by establishing a new project for an Upgrade to the KCS Telephone System. Project funding for the first phase will be established in the amount of \$77,141. These are Eastman Annexation Tax Funds that will be transferred from the Schools Special Project Fund. Additional funding will be provided from the John Adams Elementary School project in the amount of \$15,471 for a total cost of phase 1 of \$92,612.

Please see the attached Kingsport City Schools – Budget Amendment Number Six for more detail.

### Attachments:

1. Ordinance
2. BOE Budget Amendment Number Six

	<u>Y</u>	<u>N</u>	<u>O</u>
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—



### AGENDA ACTION FORM

#### Consideration of an Ordinance to Amend the Eastman Annexation Tax Fund Budget.

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager

Agenda Form No.: AF-112-2009  
 Work Session: April 20, 2009  
 First Reading/ (Business Matters Held)  
 April 21, 2009

Final Adoption: May 5, 2009  
 Staff Work: David Frye  
 Presentation: David Frye

#### Recommendation:

Approve an Ordinance amending the Eastman Annexation Tax Fund Budget.

#### Executive Summary:

On April 16, 2009, the Board of Education approved Budget Amendment Number Six. Item one, the Upgrade to the KCS Phone System is associated with this ordinance. This amendment increases the estimated revenues and appropriations for the Eastman Annexation Tax Fund by the amount of \$60,529. This amendment also decreases prior year reserves and increases the unreserved fund balance by the amount of \$60,529. Please see the attached Kingsport City Schools – Budget Amendment Number six for more detail.

The Board of Mayor and Aldermen will be asked to consider the approval of the bid at its' May 5, 2009, meeting.

#### Attachments:

1. Ordinance
2. BOE Budget Amendment Number Six

	<u>Y</u>	<u>N</u>	<u>O</u>
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—



## AGENDA ACTION FORM

### Consideration of an Approval of Offer for Easement and Right-of-Way for the Abilene Drive Pump Station Replacement Project

To: Board of Mayor and Aldermen  
 From: John G. Campbell, City Manager

Action Form No.: AF-128-2009  
 Work Session: May 4, 2009  
 First Reading: May 5, 2009

Final Adoption: May 5, 2009  
 Staff Work By: R. Trent, H. Clabaugh  
 Presentation By: R. McReynolds

**Recommendation:** Approve the offer.

#### **Executive Summary:**

In order to expand and replace the existing sewer pump station in the Abilene Drive area, the Public Works Department has requested additional right-of-way and easement across affected property. An appraisal has been prepared in accordance with the City of Kingsport's Real Property Acquisition Policies & Procedures and indicates the fair market value as per the attached property owner.

This project is funded under #SW0803.

<u>Tax Map &amp; Parcel</u>	<u>Property Owner</u>	<u>Easement Area</u>	
<u>Appraised Value</u>			
#077-B; C; #015.00	Mark C. Greer	ROW 1,464 sq. ft.	\$1,320.00
	3727 Skyland Circle	Temp. 3,686 sq. ft.	\$ 995.00
	Kingsport, Tennessee 37664		

#### **Attachments:**

1. Project Location Map

Funding source appropriate and funds are available: \_\_\_\_\_

	<u>Y</u>	<u>N</u>	<u>O</u>
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—

